



Stabilisation Unit

Elite Bargains and Political Deals Project

Synthesis Paper: Securing and Sustaining Elite Bargains that Reduce Violent Conflict

Christine Cheng, Jonathan Goodhand, Patrick Meehan

April 2018

This report has been produced by independent experts. The views contained within do not necessarily reflect UK government policy.

CONTENTS

EXECUTIVE SUMMARY	1
The objectives of this report	1
The centrality of elite bargaining as a mechanism to stabilise violent conflict	1
A framework for analysing elite bargaining	1
The characteristics of elite bargaining	2
Elite bargaining and pathways out of violent conflict	3
The effects of external interventions.....	4
The pathways of external interventions	4
Implications for policy and practice	5
Chapter 1: Introduction	7
1.1 Engaging with violent conflict	7
1.2 Developing the UK's approach to stabilising violent conflict	7
1.3 Stabilisation and the centrality of elite bargaining	9
1.4 Structure of the Report	9
Chapter 2: Defining the Project's approach	10
2.1 Introduction	10
2.2 Defining key terms: Elites, political settlements, elite bargains, peace processes.....	10
2.3 How political settlements, elite bargains and peace agreements interact	11
2.4 Conclusion.....	16
Chapter 3: The dynamics of elite bargaining and pathways out of conflict	17
3.1 Setting the context for elite bargaining	17
3.2 Elite bargains in the context of war to peace transitions	26
3.3 Elite bargains and trajectories of post-war transition	41
3.4 Conclusion.....	44
Chapter 4: The impact of external interventions on processes of elite bargaining	46
4.1 Introduction	46
4.2 Framing external interventions.....	47
4.3 The impacts of external interventions.....	48
4.4 The pathways of external interventions	75
Chapter 5: Conclusions.....	79
5.1 Findings I: How the dynamics of elite bargaining shape post-war transitions	79
5.2 Findings II: The linkages between external interventions, elite bargaining and pathways out of conflict	80
5.3 Implications for analysis.....	82
5.4 Implications for policy and practice	83
Annex 1: List of case studies and authors	85



EXECUTIVE SUMMARY

The objectives of this report

This report seeks to inform UK and international policy and practice that has the objective of reducing levels of armed conflict and building sustainable post-war transitions.

The report synthesizes the findings of 21 desk-based case studies, commissioned by the Stabilisation Unit and written by country experts. This provides an evidence base for examining the relationship between elite bargaining, the dynamics of armed conflict and the effects of external interventions on these processes.

It demonstrates that interventions can be ineffectual, or counter-productive, when interveners fail to analyse and engage effectively with underlying configurations of power and processes of elite bargaining in conflict-affected states. Addressing this concern, the report provides a framework to guide analysts and policymakers in deciphering patterns of elite authority, trajectories of transition, and the effects of external interventions on these dynamics.

The centrality of elite bargaining as a mechanism to stabilise violent conflict

The report finds that though an understanding of underlying power relations is an essential starting point for effective policy and practice, this is frequently lacking amongst external interveners.

Interventions are focused on brokering peace agreements and strengthening the formal institutions of government – constitutional reform, the rule of law, electoral democracy – in the hope that these will provide a mechanism for ‘taming’ political behaviour and managing violent conflict. However, in many contexts, power and violence are not contested or managed through such formal mechanisms.

Rather, violent conflict stabilises only when the allocation of benefits, opportunities and resources (such as political positions, business prospects) is consistent with how power is distributed in society. Where powerful elites are excluded or their interests ignored, the prospects for stabilising violent conflict and sustaining peace diminish.

This report focuses on elite bargains – defined as discrete agreements, or a series of agreements, that explicitly re-negotiate the distribution of power and allocation of resources between elites. Such agreements play a crucial role in managing violence and shaping post-war transitions.

A framework for analysing elite bargaining

Transitions from war to peace are shaped by the interaction between three dynamics: (1) the underlying distribution of power – or political settlement – on which a society is based; (2) elite bargains, and (3) formal peace agreements. The extent to which elite bargains, peace processes and political settlements (mis)align is a critical factor in shaping the trajectory and outcomes of post-war transitions. Where the distribution of benefits set out in a formal peace agreement does not reflect the underlying political settlement, the foundations for transition will be highly unstable and the risk of renewed violence will be high.

Political settlements are dynamic processes rather than static entities. In post-war moments, the underlying distribution of power may be unclear or contested and the new ‘rules of the game’ about how power is distributed have yet to be negotiated. Formal peace agreements (emphasising rules-based mechanisms) are often preceded and followed by complex processes of elite bargaining (underwritten by deals-based mechanisms). Future stability is therefore determined by the dynamics and outcomes of elite bargaining and the extent to which they build confidence in the formal peace agreement and bolster the underlying political settlement.



Elites are defined as those with significant power to make decisions and implement policies that affect wider populations. They may hold formal political positions and/or exercise control over informal structures of authority and they command constituencies – i.e. groups of followers – whose interests they claim to represent. In conflict-affected countries elites are integral to shaping transitions from war to peace. These elites have agency, particularly in moments of flux or rupture, but their actions are also shaped – and constrained – by a set of wider structures and institutional frameworks including belief systems, ideologies and notions of legitimacy. This report provides a framework for analysing the interplay of structures, institutions and individual agency that shape elite bargains.

The characteristics of elite bargaining

The report focuses on three characteristics of elite bargaining: (1) the types of violence surrounding elite bargaining; (2) how resources and ‘rents’ are allocated between elites; and (3) who is included and excluded, and on what basis.

Disaggregating violence

Policymakers and practitioners need to think more critically about the different types of violence they seek to address. It should not be assumed that stabilising large-scale armed conflict would necessarily reduce all forms of violence. Three distinct but inter-connected forms of violence are identified:

Competitive violence is deployed by warring elites to contest or defend the existing distribution of power. Stabilising large-scale armed conflict is primarily about ensuring that elites no longer deploy violence to compete for power. However, violence may also be **embedded** in how a political settlement works, as the deals agreed between elites may revolve around who has the ‘right’ to use violence. Elite bargains may also perpetuate forms of **permissive** violence, which result from the state’s inability to monopolize control over violence, but do not directly challenge the political settlement.

Ending war is not the same as ending violence; a stable political settlement – in which power is no longer contested through competitive violence – may still expose populations to significant levels of embedded and permissive violence, including criminal, gender-based and domestic violence.

Rent-sharing arrangements are central to elite bargaining

In highly unstable and conflict-affected contexts where the state does not command a monopoly of violence, providing elites with preferential access to political privileges and economic opportunities (‘rents’) can provide the ‘glue’ to hold together fragile coalitions between elites. These rent-sharing arrangements can stabilise violent conflict by providing a mechanism through which powerful challengers to state authority are co-opted into stable coalitions. However, this may create baleful legacies. Political stability based on rent-sharing arrangements can undermine other policy goals such as economic growth, poverty reduction, and good governance. Significant trade-offs exist between stabilising violent conflict, promoting economic development, tackling illicit economies and organised crime, and pursuing poverty reduction.

Forms of inclusion and exclusion play a major role in determining the feasibility of elite bargaining to reduce levels of violence

Inclusion operates along a dual axis: ‘*horizontal inclusion*’ is concerned with the relationship between and across different elites, while ‘*vertical inclusion*’ involves the relation between elites and their constituencies. The prospects for elite bargaining to establish the foundations for more stable and inclusive political settlements are determined by the type of conflict, by who is included in elite



bargains, and by how they are included. Four major challenges are identified for policymakers in this regard:

First, 'indivisible' conflicts – defined as those fought over territory, secession, or cultural politics where issues of ethnicity or identity have hardened into deep social divisions – are much harder to stabilise than 'divisible' conflicts fought over access to the state, resources, political rights and rent-sharing arrangements. Divisible conflicts offer greater scope for negotiation and compromise and the emergence of political settlements that are more inclusive of competing interests. However, 'indivisible' conflicts are zero-sum games in which satisfying the interests of certain warring parties is not possible without directly excluding the interests of opposing groups. Successful conflict resolution may involve reframing what appear to be indivisible conflicts as divisible – so for example a conflict around secession shifts to being one that can be resolved through state reform.

Second, the exclusion of certain elites, who are linked to terrorism, crime, or human rights abuses may be deemed necessary to achieve a more 'developmental peace', but their exclusion can also make political settlements volatile and unstable since it means that the interests of powerful elites are not represented.

Third, the sharing of political and economic rents may provide a more stable basis for elite inclusion than more formal power-sharing measures or a common political agenda. However, there is no guarantee that such deals will develop into more comprehensive negotiations or build vertical inclusion and may instead exacerbate inequality and grievances. Therefore significant trade-offs exist between the forms of horizontal inclusion required to stabilise violent conflict and attempts to achieve a more developmental peace founded on broad-based inclusion.

Fourth, formalised power sharing is likely to institutionalise, politicise and entrench social divisions and political identities rather than overcome them. This has kept alive, and in some cases, reinvigorated conflict fault-lines, rather than provide the foundations for a more developmental and inclusive post-war transformation.

Elite bargaining and pathways out of violent conflict

The case studies do not support the idea of a linear war-to-peace transition, with elite bargaining leading to a formal peace process, and culminating in a developmental political settlement.

Instead, the cases reveal divergent outcomes of elite bargaining along three broad trajectories: (1) **Return to violence**: where elite bargains do not hold and there is a return to large-scale competitive violence; (2) **Elite capture**: where elite bargains hold and successfully secure a reduction in levels of armed violence, but where elites monopolise the benefits of peace and leave little scope for sustained progressive change; and (3) **developmental peace**: where elite bargains sustain and facilitate a move towards a more stable and inclusive political settlement.

The risk of a return to violence is driven not only by the volatility of fragile political settlements but also by attempts to push for significant change too quickly. This is likely to increase the misalignment between formal institutions and the underlying configuration of power.

Where elite bargains do hold, the most common outcome is a form of 'elite capture'. This should not be viewed as an unfortunate outcome of flawed peace negotiations. Rather, it is often the very reason why efforts to stabilise violent conflict are feasible in the first place: elites' realisation that they stand to benefit from peace may be what enables a transition from war to peace. Again, this highlights the trade-off between stabilising violent conflict and establishing the foundations for a more developmental post-conflict transition.



None of the case studies offer a clear example of an immediate post-war transition to developmental peace. This warns against unrealistic expectations for transformational change to occur within a short timeframe. Shifts towards a more stable and developmental peace in the initial post-conflict period may be less about initiating large-scale transformational outcomes – due to the risk of creating a destabilising disjuncture between the formal peace and the underlying political settlement. Rather, such shifts are likely to be grounded in a series of evolving mini-bargains or temporary ‘fixes’ that shift the parameters of negotiations, and work towards the conditions likely to make inclusive development possible.

The effects of external interventions

The cases cover a wide range of diplomatic, military, economic, and legal interventions operating across different time periods and geographical contexts. The cases call into question the assumption that formal, internationally-backed peace processes will stabilise large-scale armed violence and create the foundations for more inclusive and developmental pathways out of violent conflict. Instead, the evidence points to the need to engage more deeply with how interventions shape and are shaped by the underlying configurations of power. This explains why similar types of interventions can have very different impacts and legacies across cases. Rather than concentrating analysis on the internal ‘qualities’ of interventions – their style, content and timing – we emphasise the need to develop a *relational* approach that focuses on the interactions between interventions, elite bargaining and the underlying configuration of power.

Tensions and trade-offs exist between the role that interventions play in supporting peace-building efforts versus the damage they cause by blocking emerging domestic bargains and in further destabilising volatile power dynamics. The tendency of interveners to believe they need ‘to do something’ in the face of violent conflict needs to be counter-balanced against more rigorous analysis of how such interventions are likely to impact on existing power dynamics and elite behaviour.

There is also a need to foreground analysis of the linkages between the political settlements (and elite bargaining) of intervening powers and those of the countries in which they are intervening. International interventions in violent conflicts are rarely determined only, or even primarily, by assessments of the context with which they engage; they are also shaped by domestic interests and are partly the outcome of complex processes of elite bargaining within intervening countries.

The pathways of external interventions

The Report shows how external interventions impact upon the dynamics of elite bargaining and lead to three different pathways out of, or back into, large-scale armed violence:

Pathway 1: Destabilising

Outcomes: fragmented political settlement; conditions for a return to violence

Examples: Sri Lanka 2002-06, South Sudan 2011, Iraq, Libya, Afghanistan, Vietnam

Conflicts that are highly internationalised and where external actors wield extensive influence – often bringing about significant moments of rupture – but where this influence has had a deleterious impact by inadvertently undermining or purposely fragmenting the underlying political settlement. This fragmentation increased the potential for renewed violence, which has occurred in many cases, notably Libya, Iraq, Afghanistan and Vietnam. Commonly, this phenomenon has occurred in contexts where external actors have used their high degree of leverage to pursue their own agendas, bringing a further set of interests to bear on fragile political settlements and exacerbating the challenges facing bargaining processes.



Pathway 2: Consolidating

Outcomes: Stability, elite capture

Examples: Tajikistan, Mozambique, Guatemala

Where external actors have a fair degree of leverage in contexts where elite power structures are relatively entrenched and the post-war transition has largely embodied a continuation of pre-war/wartime structures rather than a significant rupture. International actors play a role in influencing the peace process, and levels of large-scale armed violence decline. However, bargaining processes result in elite capture of the benefits of peace and may perpetuate forms of embedded and permissive violence.

Pathway 3: Transforming

Outcomes: Moves towards more developmental peace

Examples: Nepal post-2006; Aceh; Mozambique 1992-2002, Northern Ireland

Where bargaining processes surrounding war-to-peace transitions embody a significant moment of rupture in which pre-war or wartime structures of power have been weakened, creating emerging political space to contest previously exclusionary political and economic power structures. International actors have been able to support inclusive agendas or forms of transformational leadership contributing to the emergence of a more inclusive political settlement, which is reflected in visible changes in state policies and service delivery to previously excluded groups.

These pathways reveal the tensions between ‘working with the grain’ of power structures versus efforts to promote more transformational post-war outcomes. The cases suggest that a transformative shift towards a more developmental peace requires pushing negotiations to the limits of misalignment with the underlying political settlement; yet they also show that such misalignment is the major factor that destabilises elite bargaining processes and can lead to a strong elite push back and/or renewed outbreaks of armed violence. On the other hand, prioritising stabilisation over transformational change means bringing the peace process into closer alignment with the underlying political settlement, at the likely cost of elite capture. The challenge for diplomatic and political interventions is to find ways that create space for meaningful political dialogue and can support momentum for more developmental post-war outcomes without pushing too hard against the existing political settlement and against the kinds of deal-based mechanisms upon which elite bargains are founded.

Implications for policy and practice

All good things do not come together: Acknowledging difficult trade-offs

Interventions in fragile and conflict-affected states are often based on an assumption that policies aimed at stabilising large-scale armed conflict and those aimed at dismantling war economies, promoting inclusive economic development, democratisation and good governance reforms are mutually reinforcing and can enable countries to escape the ‘conflict trap’. The cases, however, reveal significant tensions and trade-offs between securing short-term stability and addressing longer-term drivers of violence and poverty.

Precautionary principles and restraint

The invocation that interventions should ‘do no harm’ is unrealistic; winners and losers are inevitably created. The challenge is therefore one of developing an approach that is more attuned to risks: What are the risks? What is their magnitude? Who bears them and at what cost? Precautionary principles that address these challenges are necessary so as to restrain the impulse to automatically ‘do something’, but also to provide clear guidelines for action. These guidelines should be less about how to micro-manage or engineer bargains, than about how to shape the risk environment in order to nudge elite bargaining processes in a more developmental direction.



Assessing the costs of intervention against non-intervention

Whilst numerous examples of deleterious external interventions have been identified, the costs of *not* intervening to address escalating conflict and growing humanitarian crises may also be very grave. Greater emphasis must be placed on the tensions and trade-offs regarding the scope that interveners have in supporting efforts to reduce violent conflict versus the damage they may cause by blocking or distorting domestic bargaining processes and in further destabilising volatile power dynamics. Furthermore, there is a need to widen understandings of the influence that external actors have on conflict-affected countries beyond the parameters that usually frame conflict analysis. This emphasises the need for greater engagement in how policies related to trade, development, migration and so forth impact upon elite interests and conflict dynamics and how they work in tandem with – or at cross-purposes to – interventions directly aimed at reducing violent conflict.

Working towards doorstep conditions for a developmental peace

Shifts towards a more stable developmental peace in the initial post-conflict period are less about initiating large-scale transformational outcomes – due to the risks this entails of creating a destabilising disjuncture between the formal peace and the underlying political settlement. Rather they are grounded more in instigating a series of evolving mini-bargains or temporary ‘fixes’ that begin to shift the parameters of negotiations and work towards establishing the ‘doorstep conditions’ that may make more equitable and inclusive development possible. These doorstep conditions revolve around extending the issues up for negotiation, the scope for what can be demanded, and expanding the circle of interests taken into consideration, while at the same time ensuring that the failure of negotiations does not entail the risk of renewed violence.

Moving beyond state-based frameworks

Understanding the characteristics of elite bargaining and pathways out of conflict necessitates a frame of reference that goes beyond the borders of the nation state. In many countries, borderlands embody zones of persistent violent conflict, organised crime and are home to some of the world’s most vulnerable populations. An explicit focus on borderland dynamics – often overlooked in state-based frameworks – is needed to understand why these regions may be prone to violence and instability.



Chapter 1: Introduction

1.1 Engaging with violent conflict

1. Approximately two billion people live in parts of the world affected by violent conflict and fragility. By 2030 the World Bank estimates that 50% of the world's population will live in countries affected by violence and instability.¹
2. Since the end of the Cold War, conflict resolution and peacebuilding have been essential components of international interventions in conflict-affected states. There has been a shift from more traditional peacekeeping operations to increasingly complex and multi-dimensional strategies aimed at achieving sustainable peace through ambitious stabilisation, peacebuilding and state building programmes. At the international level, the creation of the UN Peacebuilding Commission and a number of UN integrated missions are a reflection of that trend.
3. However, understanding of what works is still limited and partial.² Many violent conflicts remain intractable, new conflicts continue to erupt, and violence and instability regularly recur even in countries where international donors have invested heavily in trying to engineer peace. Half of the world's current conflicts have lasted for more than 20 years and an estimated 60% of all armed conflicts ending in the early 2000s relapsed within five years.³ Even in countries where armed conflict has ended, levels of post-war violence often remain high – especially forms of gender-based and sexual violence – and in some cases, such as Guatemala, the incidence of violent deaths has been higher in the years after peace agreements were signed than in the years prior. Following a steady decline in levels of global organised violence since the end of the Cold War, in recent years there has been a rise, with a significant increase since 2010, which holds even when Syria is exempted from the data.⁴

1.2 Developing the UK's approach to stabilising violent conflict

4. In light of these challenges there has been renewed emphasis on the need to address insecurity and violent conflict, rather than attempt to work 'around' it.⁵ The UK government has recognised the need for greater integration of diplomatic, defence and developmental activities in the pursuit of "structural stability" in its flagship policy, the Building Stability Overseas Strategy (BSOS).⁶ The UK government's 2015 Security and Defence Review (SDSR) commits the UK to working with "partners to reduce conflict and to promote stability, good governance and human rights".⁷ This commitment is underscored by the 2015 UK Aid Strategy, in which strengthening global peace, security and governance is one of its four strategic objectives. This is also reflected in the government's current commitment to allocate at least 50% of DFID's

¹ World Bank (2017). *Social Service Delivery in Violent Contexts: Achieving Results Against the Odds: A Report from Afghanistan, Pakistan, and Nepal*.

² For a detailed analysis of the relevant trends and debates in the academic literature on this subject, see: Meehan, P. (2016). *What are the key factors that affect the securing and sustaining of an initial deal to reduce levels of armed conflict? Literature Review*. London: Stabilisation Unit.

³ DFID. (2010). *Building Peaceful States and Societies*. London: DFID. p.10; Human Security Report. (2012). *Sexual Violence, education and war: Beyond the mainstream narrative*. Vancouver: Human Security Press. p.172-3; von Einsiedel, S. (2017). "Civil War Trends and the Changing Nature of Armed Conflict", *United Nations University Centre for Policy Research*, Occasional Paper 10; Gates, S., Nygård, H.M., Trappeniers, E. "Conflict Recurrence", *PRIO Conflict Trends* 02/2016.

⁴ Melander, E. (2015). 'Organized Violence in the World 2015. An Assessment by the Uppsala Conflict Data Program', *Uppsala Conflict Data Programme Paper 9*.

⁵ DFID. (2010). *Building Peaceful States and Societies*. London: DFID. p.6; United Nations; World Bank. (2017). *Pathways for Peace: Inclusive Approaches to Preventing Violent Conflict*. Washington, DC: World Bank.

⁶ DFID, FCO, MOD. (2011). *Building Stability Overseas Strategy*.

⁷ HM Government (2015) *National Security and Defence Review*.



budget to fragile states and regions.⁸ The UN Sustainable Development Goals (SDGs) include a commitment to significantly reduce all forms of violence and related deaths through promoting peace, justice and strong institutions (Goal 16).

5. Against this backdrop, the Stabilisation Unit is seeking to develop an evidence base on the effectiveness of external interventions that aim to contribute to a sustained reduction in violence in fragile and conflict-affected states. In current UK government policy, the aim of any UK stabilisation intervention is to “support local and regional partners in conflict affected countries to reduce violence, ensure basic human security and facilitate political deal-making, all of which provide a foundation for building long term stability”.⁹
6. This evidence base that underpins this report has been generated through a set of 21 desk-based case studies written by country experts.¹⁰ The selection of cases was made to capture variation across historical time periods, types and levels of conflict, forms of conflict settlement, different modalities of intervention and varying trajectories of post-war transition. Although the cases are very different, each author addressed a common set of questions/issues. The cases selected include civil wars (Sri Lanka, Nepal, South Sudan), regionalised conflict systems¹¹ (Afghanistan, Sierra Leone, DR Congo), inter-state conflicts (Ethiopia-Eritrea) and insurgencies in response to foreign occupation across post-colonial (Malaya), Cold War (Vietnam) and post-Cold War contexts (Iraq, Bosnia) (See Annex 1).

The project addresses the following core questions:

- 1) In countries experiencing violent conflict, under what conditions and why have processes of elite bargaining led to a reduction in levels of large scale armed conflict?
 - 2) Why have processes of elite bargaining had sustained impacts on peacebuilding in some contexts but not in others?
 - 3) How have external interventions impacted upon the instigation, durability and longer term consequences of elite bargaining?
7. This Synthesis Paper presents the emerging findings from this body of research. Its target audience is the UK government and other international actors working in fragile and conflict-affected states, with the aim of improving understanding of, and support for, efforts to reduce levels of armed conflict and build sustainable post-war transitions.¹²

⁸ HM Treasury and DFID. (2015). UK aid: Tackling global challenges in the national interest.

⁹ This definition will be used in the forthcoming ‘UK Approach to Stabilisation 2018’ paper, which will supersede the existing version.

¹⁰ These cases are: Afghanistan, Bosnia and Herzegovina, Colombia, Democratic Republic of Congo, Ethiopia-Eritrea, Guatemala, Indonesia (Aceh), Iraq, Libya, Malaya, Mali, Mozambique, Nepal, Northern Ireland, Philippines, Sierra Leone, Somalia, South Sudan, Sri Lanka, Tajikistan, Vietnam.

¹¹ Regional conflict systems are defined as “situations where neighbouring countries experience internal or interstate conflicts, and with significant links between the conflicts”. These interdependent violent conflicts involve an array of subnational and transnational actors, interests and dynamics creating regionalised conflict dynamics that are not easily addressed through national-level processes. Wallensteen P. & Sollenberg, M. (1998). “Armed Conflict and Regional Conflict Complexes 1989-97”, *Journal of Peace Research* 35(5): 621-634.

¹² See DFID. (2016). *Building Stability Framework*. London: DFID.



1.3 Stabilisation and the centrality of elite bargaining

8. In recent years there has been a growing focus amongst policymakers on the pivotal role that power relations and political contestation between competing elites, and between elites and their followers, play in shaping the trajectories of violent conflict and development.¹³ This Report builds upon this emerging body of work by providing an evidence base and analytical framework to guide policymakers and practitioners in; understanding the dynamics of elite bargaining; addressing the role that processes of elite bargaining play in securing and sustaining a reduction in levels of violence; assessing the impact that external interventions have had on these processes.
9. A growing body of evidence suggests that for countries at war, reducing levels of armed conflict typically involves processes of 'elite bargaining' aimed at addressing underlying security dilemmas, minimising challenges to the restoration of security, and building confidence in a negotiated settlement.
10. The focus of this research is on a specific moment of conflict stabilisation and concentrates on efforts to reduce large-scale armed violence, rather than an assessment of the broader spectrum of peacebuilding and state building initiatives deployed to resolve conflicts and support post-conflict transformation. This report addresses the structures, institutions and forms of agency that shape these deal-making processes as well as the dynamics of violence, rent-sharing arrangements and forms of inclusion/exclusion surrounding them in order to assess the divergent trajectories revealed by the case studies. The project is particularly interested in the factors that determine whether or not initial commitments to reduce large-scale armed violence can hold and eventually be transformed to be more inclusive and address the deep-seated grievances that initially gave rise to the conflict.

1.4 Structure of the Report

11. The rest of the Report is divided into four chapters:

Chapter 2 sets out the Project's conceptual approach to analysing processes of elite bargaining.

Chapter 3 presents the emerging findings from the research to address the Project's first two research questions by addressing the dynamics that shape processes of elite bargaining, and the factors that influence the outcomes of these processes, especially regarding the extent to which they contribute to sustained processes of peacebuilding, or whether violent conflict recurs.

Chapter 4 analyses external interventions from across the cases in order to assess the impact that they have had on the processes and outcomes of elite bargaining, thereby addressing the project's third research question.

Chapter 5 sets out the emerging implications from these findings for policymakers.

¹³ World Bank. (2017). World Development Report 2017: Governance and the law. Washington, D.C.: World Bank; DFID. (2010). The Politics of Poverty: Elites, Citizens and States Findings from ten years of DFID-funded research on Governance and Fragile States 2001–2010: A Synthesis Paper. London: DFID.



Chapter 2: Defining the Project's approach

2.1 Introduction

12. This chapter sets out a framework for analysing elite bargains and their relationship to the dynamics of large-scale armed violence. This framework demonstrates how transitions from war to peace are shaped by the interaction between: (1) the underlying distribution of power – or political settlement – on which a society is based; (2) the dynamics of elite bargaining, and (3) formal peace agreements. The chapter begins by providing definitions of key terms. It then explains why the (mis)alignment between elite bargains, peace processes and political settlements is a critical factor in shaping the trajectory and outcomes of post-war transitions.

2.2 Defining key terms: Elites, political settlements, elite bargains, peace processes

Elites

13. ***Elites are defined as: those within society that control a disproportionate amount of political power, wealth and/or privilege and are thus able to make or influence decisions and implement policies that affect wider populations.***
14. They may hold formal political positions and/or exercise control over informal structures of authority. Elites command constituencies – i.e. groups of followers – which they are able to mobilize. The size of these constituencies varies widely as does the nature of the relationship between elites and their followers. The relationships between elites and followers – in terms of how elite-controlled resources are distributed, how elites maintain their authority, and how non-elites are able to contest this authority – determine how elite behaviour impacts upon society as a whole.¹⁴

Political Settlements

15. ***Political settlements are defined as: The distribution of power on which a polity and society is based, which results from conflict and negotiation between contending elites.***¹⁵
16. The political settlement underpins the formal and informal institutional arrangements through which resources (e.g., positions of power within government and informal institutions, control over natural resources, trade and licenses) are negotiated and distributed. The political settlement refers not only to the resources that people control but also the legitimacy they have in exercising this control. Political settlements are dynamic processes rather than static entities that are historically specific to each state. Although they shape national structures (such as political and legal systems, tax structures and how national resources are distributed), they are likely to be influenced by actors and interests beyond national borders.

¹⁴ This definition draws upon: Putzel, J. & Di John, J. (2012). *Meeting the Challenges of Crisis States*. London: Crisis States Research Centre.; Denney, L. & Barron, P. (2015). 'Beyond the Toolkit: Supporting Peace Processes in Asia', *Working Politically in Practice Series, Case Study No.4*, San Francisco: The Asia Foundation, p.2.

¹⁵ This definition draws upon the work of: Di John, J. (2008). 'Conceptualising the Causes and Consequences of Failed States: A Critical Review of the Literature', *LSE/DESTIN Crisis States Research Working Paper, No: 25. (Series 2)*. London: LSE; Di John, J. & Putzel, J. (2009). 'Political Settlements'. *Issues Paper*. Birmingham: Governance and Social Development Resource Centre, International Development Department, University of Birmingham; Khan, M. (2010). *Political Settlements and the Governance of Growth-Enhancing Institutions*. (Unpublished). Available at <http://eprints.soas.ac.uk/9968/>.



Elite bargains

17. ***Elite bargains are defined as: A discrete agreement, or series of agreements, that explicitly sets out to re-negotiate the distribution of power and allocation of resources between elites.***¹⁶
18. Whereas political settlements can be understood as on-going and dynamic processes through which power is organised and exercised, elite bargains represent specific attempts to re-negotiate the distribution of power between elites, which cumulatively shape and change the overarching political settlement. Thus, elite bargains are the product of conscious, calculated behaviour to determine who holds political office, governs economic resources and controls the means of violence. In contrast political settlements are the outcome of ongoing processes, which both reflect and reinforce the balance of forces in society at a given time.

Peace agreements

19. ***Following Wallenstein and Sollenberg, peace agreements are defined as: Arrangements entered into by warring parties to explicitly regulate or resolve their basic incompatibility.***¹⁷
20. Historically, more wars ended through military victory than through negotiated peace agreements. However, since the end of the Cold War, peace agreements have become more common, and they have also become more ambitious in scope, commonly including conditions related to power sharing, human rights, transitional justice and inclusive development.¹⁸ The effectiveness of peace agreements in providing the foundations for sustainable peace is contested in the academic and policy literatures.¹⁹

2.3 How political settlements, elite bargains and peace agreements interact

21. Our underlying hypothesis is that the interactions and (mis)alignments between political settlements, elite bargaining and peace agreements may explain whether and how wars are terminated and differing trajectories of post-war transition. Donors and policymakers have typically sought to end wars through peace agreements that aim to regulate violent conflict, through a combination of formal settlements and institutional design (e.g., constitutional reform, elections, power-sharing arrangements). Yet such approaches tend to be blind to the informal structures of power that may work at odds with the legal text of a peace agreement or the newly created institutions. A focus on formal institutions fails to explain why the same institutions can lead to diverging stabilisation and peacebuilding outcomes in different contexts.

¹⁶ This definition draws upon the work of: Putzel, J. & Di John, J. (2012). *Meeting the Challenges of Crisis States*, Crisis States Research Centre Report. London: LSE; Laws, E. (2012). 'Political Settlements, Elite Pacts, and Governments of National Unity: A Conceptual Study'. *Background Paper 10*, Developmental Leadership Program. Birmingham: DLP.

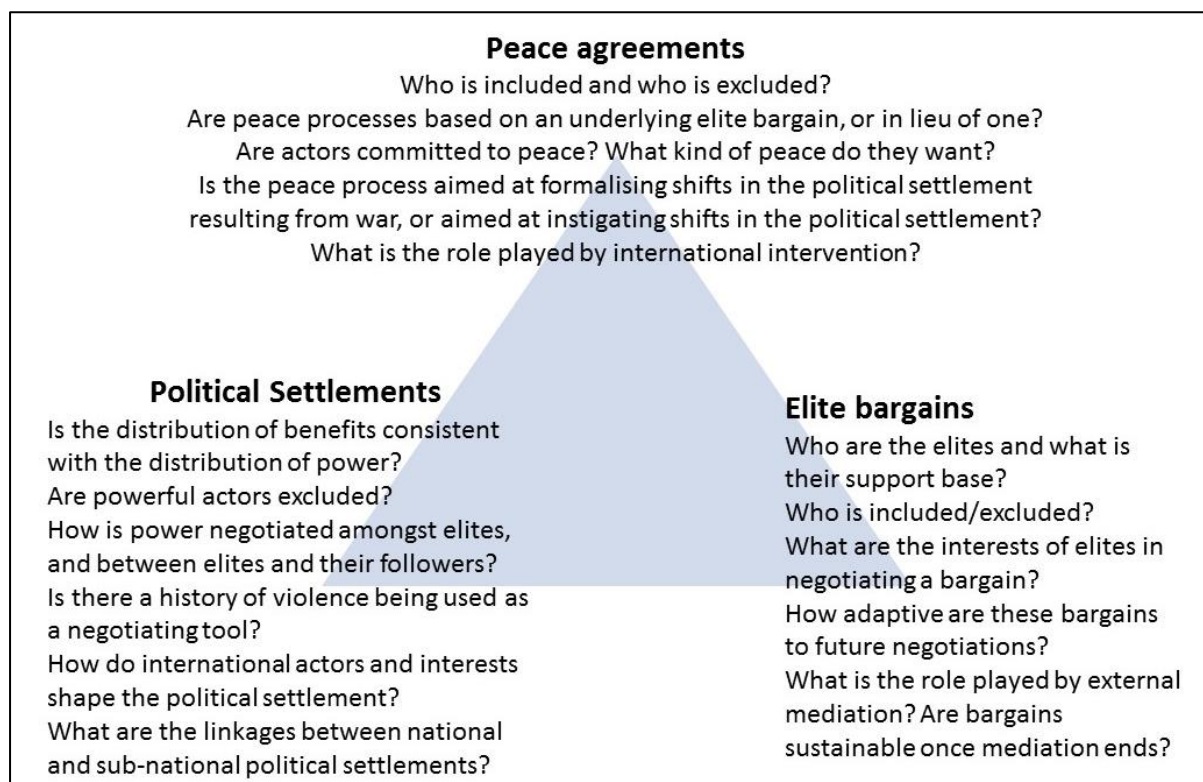
¹⁷ Wallenstein, P. & Sollenberg, M. (1997). 'Armed Conflicts, Conflict Termination, and Peace Agreements, 1989-96', *Journal of Peace Research* 34(3): 342.

¹⁸ Human Security Report. (2013). *The Decline in Global Violence: Evidence, Explanation, and Contestation*. (Vancouver: Human Security Press).

¹⁹ See: Call, C. (2012). *Why Peace Fails: The Causes and Prevention of Civil War Recurrence*. Washington, D.C.: Georgetown University Press; Human Security Report Project. (2009). *Human security report 2008/9*. New York: Oxford University Press; Kreutz, J. (2010) 'How and when armed conflicts end: Introducing the UCDP conflict termination data set', *Journal of Peace Research* 47 (2) pp. 243-250; Licklider, R. (1995) 'The Consequences of Negotiated Settlements in Civil Wars, 1945-1993', *American Political Science Review* 89(3), pp. 681-90; Meehan, P. (2016). 'What are the key factors that affect the securing and sustaining of an initial deal to reduce levels of armed conflict?: Literature Review.' London: Stabilisation Unit.



Figure 1: Assessing political settlements, elite bargains and peace agreements



22. In contrast, political settlements analysis, which has become increasingly influential amongst international actors engaging in conflict-affected states²⁰, focuses explicitly on how power is organised in society in order to understand (and address) drivers of violent conflict. Rather than a technical focus on designing the 'right' interventions, this approach emphasises that any intervention will be shaped by power relations and political interests and must be aware of and resilient to these pressures.
23. The starting point for analysing large-scale violence is an understanding of how the state works. In most of these conflict-affected countries the state is not an autonomous institution that wields uncontested sovereignty or has a monopoly over the means of coercion but faces competing sources of power, legitimacy, ideology and violence. In such contexts, stability may be dependent less on how well formal government institutions perform and more on the 'bargaining equilibrium' that emerges between elites to ensure that they cooperate and engage with each other rather than attempt to pursue their interests through the use of violence. One model, which brings these ideas together, is that of the 'limited access order'.²¹ This is defined

²⁰ Political settlements analysis has been at the forefront of DFID's work on peacebuilding and governance in fragile states as well as a key focus of major DFID-funded research projects, notably the Political Settlements Research Programme based at Edinburgh, the Crisis States Research Centre at LSE, and the Effective States and Inclusive Development (ESID) programme based at the University of Manchester. The concept has also been embraced by the OECD, The International Dialogue on Peacebuilding and Statebuilding, various government development agencies (e.g., AusAID) and peacebuilding and conflict resolution NGOs (e.g., Conciliation Resources). See: DFID. (2010). *The Politics of Poverty: Elites, Citizens and States Findings from ten years of DFID-funded research on Governance and Fragile States 2001–2010: A Synthesis Paper*. London: DFID; OECD. (2011). *From power struggles to Sustainable Peace: Understanding Political Settlements*; AusAID. (2011). *Framework for working in fragile and conflict-affected states: Guidance for staff*. Canberra: AusAID.

²¹ North, D. Willis, J. & Weingast. B. (2009). *Violence and Social Orders: A Conceptual Framework for Interpreting Recorded Human History*. New York: Cambridge University Press.



as a system in which the state uses its control over the political and economic system to create 'rents' by manipulating access to certain political privileges and economic opportunities (such as political positions, import licenses, state procurement contracts). In limited access orders the violence problem is managed through the sharing of rents between powerful elites, who have the potential to challenge state authority, in order to gain their loyalty and forge a stable coalition.²²

24. In contexts where the formal peace agreement and the distribution of resources do not reflect the underlying balance of power, then the risk of instability and violence is high. Since formal mechanisms for redressing grievances are often weak, elites may deploy violence in order to renegotiate the existing political settlement.²³ Large-scale violence will only stabilise "when the distribution of benefits in a society, supported by its institutions (e.g., political positions, business opportunities) is consistent with the distribution of power in society, and the economic and political outcomes of these institutions are sustainable over time".²⁴ A political settlements approach warns that stabilisation efforts are likely to be ineffective, or harmful if the interests of powerful elites are ignored.
25. This particularly applies in post-war moments, which can be understood as points of rupture when the new 'rules of the game' are being negotiated. Formal peace agreements (rules-based mechanisms) are often preceded and followed by complex processes of elite bargaining (deals-based mechanisms) between and within (international and domestic) groups. These are 'turning points' when the stakes are high and the problems of elite polarisation and fragmentation are likely to be most acute. Yet future stability may be determined by the dynamics and outcomes of elite bargaining and the extent to which they build confidence in the formal peace agreement – the public event or 'grand bargain' – and bolster the underlying political settlement.
26. Therefore elite bargains are pivotal to stabilisation efforts, yet they are the least easily understood and studied point on the triangle.²⁵ This report attempts to understand and explain the relationship between elite bargaining, peace agreements and political settlements. In order to do this, our starting point is to situate elites within an analytical framework that combines an understanding of structure, institutions and agency, and how these interact in specific conflict-affected settings. As shown in Figure Two (below) elites are embedded within – and their actions are constrained by – a set of wider structures and institutions at the subnational, national and international level that shape their behaviour and determine the dynamics and outcomes of elite bargaining.
 - **Structures:** refer to long-standing and slow-changing factors that shape the environment in which violent conflict is taking place. These may include demographics (e.g., levels of unemployment, population pressure), natural resource endowments, climatic pressures,

²² Ibid, p.30.

²³ The extent to which violence is deployed by elites to renegotiate the distribution of power is also shaped by an array of factors including the capacity of informal arrangements and agreements to contain violence and notions of the legitimacy of using violence.

²⁴ Khan, M. (2010). Political Settlements and the Governance of Growth-Enhancing Institutions. (Unpublished). Available at <http://eprints.soas.ac.uk/9968/>. p.1.

²⁵ Reasons for this include; the sensitivity of the topic, and ethical concerns about consent and attribution; the difficulties of gaining access to key players; the dynamism of the processes being studied and the difficulty of capturing these changes through longitudinal research; the tendency in the peacebuilding literature to focus on the formal peace process, and official narratives that are shaped by international players and government officials; disciplinary orientations and limitations within the social sciences – for example the bias towards big N approaches within political science and IR and the traditional focus within anthropology towards non-elite populations.



the regional neighbourhood in which a conflict is situated, and legacies of long-running wars (e.g., social divisions, the emergence of powerful elites, such as within the military).

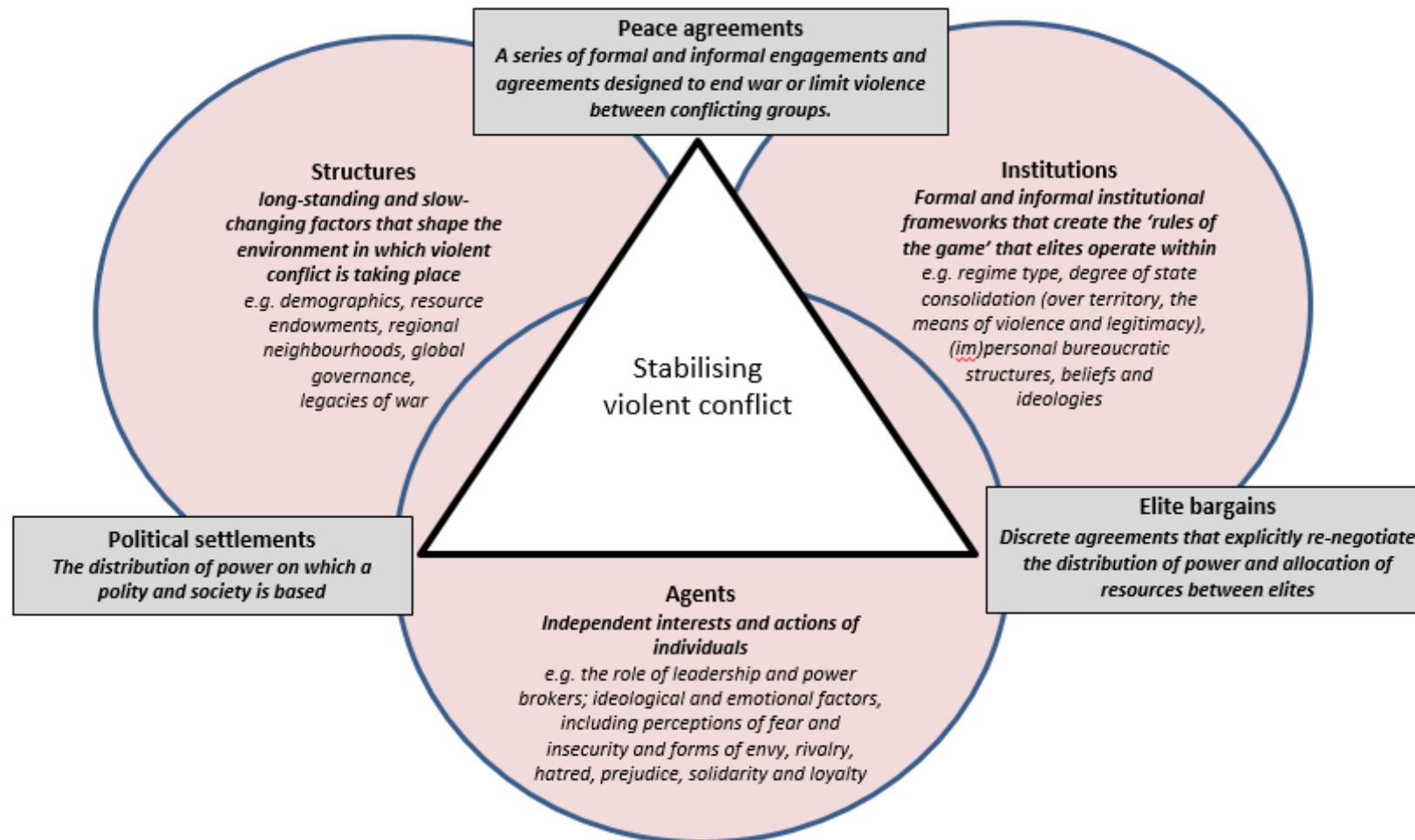
- **Institutions:** refer to the institutional frameworks that elites operate within. This includes both formal and informal institutions that determine the ‘rules of the game’ governing elite behaviour and interests. Institutional arenas are shaped by a country’s regime type, the degree of state consolidation (over territory, the means of violence and legitimacy), the extent to which power is managed in personalised ways (such as clientelism) or through impersonal institutions and the beliefs and ideologies that shape political behaviour (such as religious beliefs, traditions, forms of nationalism, visions of development and cultural norms of hierarchy). These institutional frameworks have a history; they reflect and embody longstanding contests over power and the distribution of assets, and are not just sets of rules that can be refashioned by those who wield political authority.²⁶
 - **Agents:** refers to the interests and actions of individuals, which in this Report focuses on the actions of elites. This relates to the relationship between elites and their constituents, the role of leadership, personal incentives, ideological and emotional factors that govern elite actions, including perceptions of fear and insecurity and forms of envy, rivalry, hatred, prejudice, solidarity and loyalty.²⁷
27. The interplay of structures, institutions and agents shape both the ‘horizontal’ relationships between elites and the ‘vertical’ relationships between elites and their constituents. As the cases explored in Chapters three and four demonstrate, the interests and actions of interveners are also shaped by structural factors (such as the post-colonial, Cold War and post-Cold War contexts in which interventions took place), the institutional arenas in which interveners’ decision-making takes place (institutionalised ideologies, the influence of domestic politics and electoral considerations), the economic and geopolitical interests of interveners and also the hubris, rivalries, ambitions and loyalties within intervening organisations. These issues may play a significant, although almost entirely overlooked, role in determining the impact of external interventions on elite bargains.

²⁶ Putzel, J. & Di John, J. (2012). *Meeting the Challenges of Crisis States*. London: Crisis States Research Centre. p.1; Hudson, D. & Leftwich, A. (2014). ‘From Political Economy to Political Analysis’. *DLP Research Paper 25*. Birmingham: DLP, p.96.

²⁷ Darby, J. & Mac Ginty, R. (2008). ‘Introduction: What Peace? What Process?’ In: *Contemporary Peacemaking: Conflict, Peace Processes and Post-War Reconstruction*, J. Darby and R. Mac Ginty (eds). Basingstoke: Palgrave Macmillan, p.5; Cramer, C. (2002). ‘Homo Economicus Goes to War: Methodological Individualism, Rational Choice and the Political Economy of War’, *World Development* 30(1): 1845–64; Cramer, C. (2006). *Civil War Is Not a Stupid Thing: Accounting for Violence in Developing Countries*. London: Hurst & Company. Richards, P. (ed). (2005). *No War No Peace: An Anthropology of Contemporary Armed Conflicts*.



Figure 2: Processes and dynamics that shape violent conflict and its stabilisation





2.4 Conclusion

28. Current conflict resolution strategies predominantly seek to address violent conflict through securing formal peace agreements. This, it is believed, will create the foundation for (re)establishing formal institutions that can manage social conflict and the transition of power. This approach typically includes good governance reforms designed to support democratisation, strengthening of the rule of law and free market institutions. The alternative framework set out in this chapter, is based upon a different set of assumptions about the nature of violent conflict and post-war transitions; it emphasises the centrality of power relations and focuses on the relationships between political settlements, elite bargains and peace agreements. The degree and type of (mis)alignment between them helps explain variations in pathways out of conflict and the differing impacts of external interventions aimed at reducing large scale violence.



Chapter 3: The dynamics of elite bargaining and pathways out of conflict

29. In the following chapter we analyse the findings from the case studies in relation to the first two research questions about factors that have shaped processes of elite bargaining and the extent to which these processes have contributed to sustained reductions in violence or conversely an escalation or return to large-scale violent conflict. We follow the structure set out in Figure Two, first mapping out how structures, institutions and agents set the context for elite bargaining in conflict-affected environments, before then expanding upon the specific dynamics of elite bargains. This leads to a concluding section that connects bargaining processes to different trajectories or pathways out of violent conflict.

3.1 Setting the context for elite bargaining

3.1.1 Structures

Structural determinants of elite behaviour

30. Elites may make history but not in contexts of their own choosing. The role that elites play in shaping trajectories out of violent conflict is shaped by pre-existing social structures, patterns of development and global and regional contexts – often themselves transformed through war. Elites are thus often operating in highly constrained contexts, creating a strong degree of path dependency surrounding elite interests and actions, which are not easily malleable to the kinds of ‘rational actor’ frameworks that underpin many conflict resolution strategies.²⁸
31. The case studies unsurprisingly demonstrate that the strategies and choices open to elites were shaped by their **historical context**. These varied widely, ranging from rising nationalism in the context of de-colonisation struggles (Malaya), Cold War imperial wars (Vietnam), post-colonial nation-state-building (Indonesia), post-Soviet collapse (Tajikistan) and the post-Cold War era of statebuilding, the global war on terrorism and the willingness of powerful states to intervene in ‘fragile’ states (Afghanistan, Iraq and Libya). In each case, the options available to elites were different, shaped by the varying global, regional and national power structures they operated within, their access to material resources, and the sources of legitimacy and security available to them. For example in the post-Cold War period, peace agreements have become the expected form of conflict termination and they are associated with a set of standards related to rule of law, human rights, state reform and democratisation. This has created a very different context to the Cold War period during which elites were supported through transfusions of superpower funding and protection (e.g., Vietnam, Indonesia, pre-war Afghanistan, Tajikistan, Guatemala and the DRC (formerly Zaire), Sudan).
32. The cases also demonstrate how elite interests and behaviour are shaped by underlying **social structures**. In many of the cases – and throughout much of the world – states are much ‘younger’ than the societies they purport to govern.²⁹ In such cases, the state order of things –

²⁸ Rational actor frameworks assume the behaviour, motivations and calculations of warring parties are driven by the narrow pursuit of self-interest and thus assume that the cost-benefit calculations of individuals can be manipulated. For example, efforts to change economic incentives in order make combatants view peace as more profitable than war, has become an influential conflict resolution tool (for a critical assessment of the influence of this notion on policymakers see: Keen, D. (2009). ‘Economic initiatives to tackle conflict: Bringing politics back in’, *Crisis States Research Centre Occasional Paper 9*. London: LSE.).

²⁹ Goodhand, J. (2008). ‘War, Peace and the Places In Between: Why Borderlands are Central’. In: *Whose Peace? Critical Perspectives on the Political Economy of Peacebuilding*, M. Pugh, N. Cooper & M. Turner (eds.). London: Palgrave. p.228.



i.e., bureaucratic practices, formal institutions – is only one of the structures of authority that shape and constrain elites. Elites are operating in contexts in which new structures of authority and governance operate alongside – rather than displace – pre-existing ones and continue to influence the social relations, norms, customs and legitimacy that govern elites. For example, tribal structures, identities and fault-lines in Afghanistan and Somalia continue to shape contemporary political mobilisation within and outside the state.

33. Historical and geographical **patterns of development** have also shaped the character and composition of elites. For example, many post-colonial states, especially in sub-Saharan Africa, inherited and replicated patterns of development that were dependent upon controlling the interface between the domestic and international economy. Revenue in countries such as Sudan was derived primarily from taxes on imports and exports, issuing of trade licenses and resource concessions and the distribution of foreign aid. This created economic structures in which elite power was dependent upon control over central state institutions that governed the 'gate' between the domestic and international economy.³⁰ Elsewhere, patterns of uneven development have played an important role in elite formation and interaction. For example, uneven and centralised patterns of development and urbanisation in Nepal has strengthened the position of a Brahmin-Chettri hill-based elite centred in the Kathmandu valley and the middle hills; in Sri Lanka, elite formation has followed colonial patterns of development, leading to competing elites in the Sinhala south (Colombo and Kandy) and in the Tamil north (Jaffna). In Tajikistan, topography and Soviet development strategies (which favoured certain groups) crystalised to create regional-based elites, which became the main fighting fronts in the war period. In Northern Ireland, education and employment policies have exacerbated the conflict's fault-lines and produced contesting elites and non-elites shaped by these structural inequalities.
34. All of the factors outlined above – the historical context, social structures and patterns of development – that shape elites have important **regional dimensions** that extend beyond national borders. The patronage structures, support bases, economic resources and foundations of legitimacy that sustain elites and govern their behaviour are often based on regional networks and hierarchies. Regional elites in Afghanistan, for example, are shaped by tribal, sectarian, religious, ethnic and linguistic fault-lines that extend across the region, notably Pakistan and Iran.³¹ Political settlements are frequently shaped by those of neighbouring countries and must be analysed accordingly – for example Afghanistan's political settlement is heavily shaped by its relationships with Pakistan, and the same applies to Eritrea's position in relation to Ethiopia.
35. The cases also clearly demonstrate how **war transforms structures and processes of elite formation**. In many cases war has swept aside older social structures – such as feudal authorities and khans in Afghanistan – and has paved the way for the emergence of new military, political and economic elites. These structures of authority are based upon forms of wartime accumulation and redistribution, and new sources of legitimacy (money, religion, security and service provision). For example Afghan and Tajik warlords have derived significant power from the drug economy during wartime, and in South Sudan the Sudan People's Liberation Army (SPLA) commanders relied on international support from the outset, developing complex patronage networks that were funded by the war economy including through capture of humanitarian aid. War creates new forms of power that continue into the

³⁰ Cooper, F. (2002). *Africa since 1940: The past of the present*. Cambridge: Cambridge University Press.

³¹ Sharan, T. 2012. 'The Dynamics of Elite Networks and Patron-Client Relations in Afghanistan'. In: *Elites and Identities in Post-Soviet Space*, D. Lane (ed.). Abingdon: Routledge.



post-war period. For example, the militaries in Guatemala, Colombia, Sri Lanka, South Sudan and Nepal expanded significantly during the war and remained salient political actors after war's end. In many contexts war also empowered irregular armed forces – militias, warlords, paramilitaries etc. often backed by the state or neighbouring powers (e.g., Colombia, Tajikistan, Indonesia, Mali, South Sudan) – that have also remained powerful post-war. This appears to have been most common in protracted low-intensity conflicts where paramilitary groups were cheaper to maintain than regular army units; they had better knowledge of local populations and terrain and often provided the state with a degree of plausible deniability for human rights abuses.³² In some cases, these irregular forces retained state backing after the war to enforce the peace or have proved able to withstand efforts to dismantle them.

36. In many cases wars lead to geographical shifts in the distribution of power and resources. For example, the lucrative nature of cross-border trade during wartime – including illegal goods (heroin) and legal goods (basic commodities and consumer items) in Afghanistan and Tajikistan – and the subsequent emergence of border boom towns and military fronts can shift the locus of power away from the centre. In both these cases, controlling cross-border trade became an important mechanism through which to accumulate wealth and power to strengthen, or to challenge, elites at the centre. In many wars, borderlands have been a “privileged site of rebellion against the power of the state”³³ due to: the revenue armed groups can derive from cross-border trade; access to goods (not least weapons); support from neighbouring countries; the utilisation of long-standing localised grievances against central states; and the sanctity of international borders which discourage governments from pursuing opposition into neighbouring territories. These borderland dynamics can generate long-running regional conflict systems fuelled by inter-connected disputes, networks and flows (of people, goods and weapons) that become extremely difficult to resolve.

Structural shifts and opportunities for elite bargaining

37. Although elites' room for manoeuvre may be highly constrained, the cases also reveal how shifts in underlying structures play an important role in 'opening' space for elite bargaining processes aimed at reducing levels of armed conflict. Such shifts can create moments of rupture when structures become more fluid and contested, enhancing the agency of elites and creating new spaces for institutions (both formal and informal) to emerge that may be able to contain violence.
38. In certain cases structural shifts have stabilised volatile political settlements and reduced levels of violence without the need for a formal peace agreement. For example, in Malaya, significant changes in property rights played an important role in ending the violent conflict between the Commonwealth armed forces and the Malayan National Liberation Army (MNLA), the armed wing of the Malayan Communist Party during the 1950s. The granting of land rights to the Chinese population was especially important and encouraged many to see their interests best pursued through political pressure for greater concessions and legal reforms, rather than through backing the MNLA's armed struggle. This was despite the fact that government attempts to reach some kind of deal with the MNLA actually failed. Indeed, the MNLA

³² Ahram, A. (2011). *Proxy Warriors: The rise and fall of state-sponsored militias*. Stanford, California: Stanford University Press.

³³ Van Schendel, W. (2005). 'Spaces of Engagement: How Borderlands, Illegal Flows, and Territorial States Interlock', In: *Illicit Flows and Criminal Things: States, Borders, and the Other Side of Globalization*. W. Van Schendel and I. Abraham (eds.). Bloomington: Indiana University Press.



insurgency petered out not because of a peace agreement forged between the MNLA and the central government, but in spite of it.

39. Many of the cases reveal how changes in regional neighbourhoods and economic structures – especially how wealth is generated, who controls wealth and how it is distributed – are integral to creating, or closing off, space for elite bargaining processes. For example, with regards to the spill-over effect of broader regional dynamics, the gradual shift in Latin America away from violent struggle and towards democratic politics (itself a consequence of national and global structural shifts) appeared to play an important role in strengthening the Colombian peace process. In Guatemala, the end of the Cold War and the US invasion of Panama in 1989 revealed a shift in global power structures and demonstrated the declining willingness of the US to back governments in the region in the same way it had done in previous decades. The successful end to hostilities in neighbouring countries (especially Nicaragua and El Salvador) and the mechanisms for dialogue created out of Latin American peace initiatives were also important.
40. Gradual shifts in patterns of domestic accumulation and wealth were also important in cases like Colombia and Guatemala, where an emerging business class widened the state's support base, which had historically depended upon the military and large landowners (both of which advocated a hard-line against revolutionary armed groups). This created greater – although still heavily contested – political space and political will for peace negotiations and strengthened the hand of the state in counteracting the 'spoiling' tactics of the military and large landowners.
41. Across many of the cases, it is possible to observe a structural shift in armed conflicts, which involves a transition from a 'war cycle' to a 'peace cycle'.³⁴ This shift involves a growing recognition amongst elites, who have accumulated during war, that their interests may best be served through 'capturing' the benefits of peace rather than continued armed conflict. For example, the cases of Guatemala, Colombia, Tajikistan, Sierra Leone and Somalia all demonstrate that the same structural shifts that created opportunities for elite bargaining processes have also facilitated elite capture of the benefits of peace.
42. Finally, peace processes themselves may have disruptive potential, inadvertently changing the underlying configurations and balance of power or generating legitimacy crises within the ruling regime. For example in Sri Lanka, the Norwegian brokered peace process shifted the balance of power in favour of Sinhalese nationalist elites and induced a split within the LTTE which transformed the military balance between the Sri Lanka military and LTTE. In South Sudan, the CPA shifted the balance of power and legitimacy to the SPLA and away from the SSDF.

3.1.2 Institutions

43. Although shifts in underlying structures can create incentives to end large-scale violent conflict and open up space for negotiations, the institutional framework in which elites operate is extremely important for understanding processes of elite bargaining and their varying trajectories.
44. The cases span late-developing, low income countries (Afghanistan, Mali, DRC, Sierra Leone), middle income countries (Sri Lanka, Indonesia, Ethiopia, Colombia), and high income countries (Northern Ireland) and reveal huge diversity regarding the institutional arenas in which elites are located. This diversity operates along a number of different axes, including: the

³⁴ Giustozzi, A. (2010) 'Cycles of war and peace in Afghanistan: Understanding the political economy of conflict'. *Policy Directions*, Crisis States Research Centre. London: LSE.



effectiveness of the state – in terms of its territorial reach, its capacity to make and enforce decisions and its legitimacy; the nature of dispute-resolution mechanisms and the extent to which these are rule-based or deal-based mechanisms; the extent to which the mechanisms allocating benefits (such as political positions, land, business deals) are personalised or impersonal and are centralised or decentralised; the extent to which political, economic and judicial power are separated or vested in the same people/positions.

45. Drawing upon the 'limited access order' framework discussed above (see: Section 2.2), the cases reveal quite different institutional frameworks that operate along a spectrum ranging from³⁵:
- **'Fragile' limited access orders – such as Afghanistan, South Sudan and Somalia** - where state institutions are very weak and under-developed; the state is based on little more than the relationships forged between powerful elites; elites can mobilise violence easily through patron-client relationships; short timeframes before bargains are re-negotiated often through violence.
 - **'Basic' limited access orders – such as Ethiopia** – where the state has a stronger institutional structure (e.g., there is a system of public law) allowing some bargains to be managed through these institutions (for example rules of succession). There is a greater set of shared beliefs and behaviour amongst elites although the distribution and contestation of resources remains personalised.
 - **'Mature' limited access orders such as Indonesia** where state institutions are more durable and some function in consistent ways regardless of who is in charge; there is a clear system of public law and some private law; organisations independent of government control do exist but power continues to be shaped by the personal interaction between elites.
46. Although this framework contains certain limitations – not least that the boundaries between these various types of regimes are often blurred and contested and that there may be distinct sub-national variations across state territory – it reveals the diversity of institutional environments across the cases. These variations play a key role in shaping elites' room for manoeuvre, the relationship between competing elites and between elites and their followers, and their interests and incentives for stability.
47. The cases reveal several mechanisms through which formal institutions shape elite behaviour and interests. First, the institutional arena influences how elites interact with the state and the extent to which they perceive their interests as best pursued through empowering or subverting formal state institutions. In some cases, elites have sought to preserve or strengthen their power through becoming embedded in the state. For example, in Malaysia, class and communal tensions and the wider context of the Cold War embodied a set of threats that encouraged various elite groups to forge a 'protection pact' that aimed to construct a strong authoritarian state with the capacity to manage these threats.³⁶ In Tajikistan, the violent conflict that erupted after the collapse of the Soviet Union unfolded within a context of a relatively

³⁵ The language of fragile, basic and mature limited access orders is that used by Douglass North et al. See: North, D., Willis, J. & Weingast, B. (2009). *Violence and Social Orders: A Conceptual Framework for Interpreting Recorded Human History*. New York: Cambridge University Press.

³⁶ Slater, D. (2010). *Ordering Power: Contentious Politics and Authoritarian Leviathans in Southeast Asia*. Cambridge: Cambridge University Press.



strong and consolidated state, in which elites sought to wrestle control over state institutions and the benefits this offered. This can be contrasted with Afghanistan and Somalia where elites viewed state-building as a threat to their interests and pursued bargaining strategies designed to circumvent formal state institutions. In these cases of 'fragile limited access orders' elite strategies were aimed at intentionally keeping formal institutions weak since elites have viewed the institutionalisation of power as a threat to their interests and limiting their room for manoeuvre.

48. Second, elite bargaining processes are also affected by the extent to which power-sharing is institutionalised in state structures and how far democratic processes, bureaucratic structures, legal frameworks and systems of checks and balances on executive power are embedded prior to the outbreak of violent conflict. In Sri Lanka and Nepal, for example, there had been experience prior to the war of elections, separation of powers, and some checks and balances on the executive; even though patronage politics continued in parallel, institutions still mattered. Elites are often astutely aware of the details of constitutional provisions, parliamentary procedures, institutional mandates and how the legal system operates, and these institutions shape the 'rules of the game' regarding how elites operate. In such cases it is important to understand where power is concentrated and how the location of elites within institutions shapes power dynamics. In highly centralised states, power may be concentrated in the President's office rather than in Parliament. Or in more decentralised systems, there may be certain 'power ministries' such as interior, border affairs or finance where there are strong concentrations of power. In other cases power may oscillate between different government ministries or between the executive, legislature and judiciary.³⁷ In contexts such as Afghanistan and Iraq where state structures and democratic process have remained to a large extent a façade, the locus of power tends to be located in parallel structures of non-formal authority.
49. Third, the cases demonstrate significant variation in how institutions operate across a state. At least half of the cases reveal the specific challenges that borderland regions pose to the penetration and legitimacy of state institutions.³⁸ Many are sites of institutional hybridity and legal pluralism, shaped by the fluctuating penetration of state institutions, pre-existing structures of non-state authority and the influence of cross-border political and economic networks and institutions. For example, in the Terai region of the Nepal-India border, elite loyalties are shaped as much by networks across the border as those linked to Kathmandu.
50. The cases reveal that the 'fit' between institutions and the underlying political settlement is very important in shaping the potential for elite bargains to significantly reduce levels of violence. In cases such as Malaysia where there was a strong fit between the underlying political settlement and the institutional frameworks constructed to mediate societal conflicts in the aftermath of the Malayan emergency, stability was more durable (albeit in this case also authoritarian). However, in other cases, the disjuncture between formal institutions and the underlying political settlements has exacerbated instability and diminished the scope for durable elite bargains. In Afghanistan, for example, the centralised presidential system is ill-equipped to manage the country's highly fragmented structures of authority. The country's 'winner-takes-all' electoral system has placed further pressure on the fragile agreements between the country's elites by shortening the timeframes in which elite bargains need to be re-negotiated and creating sudden shocks that have destabilised the country's fragile political

³⁷ World Bank. (2017). World Development Report 2017: Governance and the law. Washington, D.C.: World Bank.

³⁸ These include: Tajikistan, DRC, Colombia, Afghanistan, Sri Lanka, Nepal, Somalia, Philippines, Ethiopia, Mali, Vietnam, Iraq and Indonesia (Aceh).



settlement. Afghanistan reveals clearly the difficult trade-offs surrounding elite bargaining processes and pressures on governments to pursue a good governance agenda of institutional reform. Efforts to promote democratisation, reduce corruption, strengthen judicial autonomy and tackle the country's illicit drug economy have clashed with strategies deployed by the Afghan government to govern the country's highly fragmented power structures because these reforms threaten to destabilise the system of rents upon which elite bargains are constructed.

3.1.3 Agents: mapping and understanding elites

51. Having set out the structures and institutions which shape the arenas in which elites operate, this section now concentrates on the elites themselves. As explained in Chapter 2, elites can be defined as those with significant power to make decisions and implement policies that affect wider populations.³⁹ They may hold formal political positions and/or exercise control over informal structures of authority. Elites command constituencies – i.e. groups of followers – whose interests they claim to represent. The relationships between elites and their constituencies is an important determinant of elite authority; whether the relationship is built upon direct coercion, fear, active support or passive acquiescence will shape how far elites are able to make and enforce decisions independently or whether their position is dependent on delivering the demands of those they represent. Elites' ability to pursue their interests is defined by their 'holding power', which refers to how long elites can hold out in conflict against the state or other elites in order to pursue their interests. Holding power may be founded upon organisational capacity, revenue, ideological power, legitimacy, the ability to mobilise and maintain support (domestically and internationally), the capacity to absorb costs inflicted by opponents and the capacity to inflict costs on others.⁴⁰
52. The cases reveal that the characteristics of elites and their foundations of power vary considerably. Elites may derive power through control over valuable resources and economies, which enable them to accumulate wealth, finance extensive patronage networks, mobilise violence and shape policies that protect their interests. In Guatemala political and economic power has long been concentrated in a narrow elite of large plantation owners or *Finqueros*. In South Sudan, the SPLA derived power through controlling humanitarian aid and then, after the CPA, controlling revenue from oil. Elite power may also be founded upon controlling key interfaces between the domestic and international levels, as in the case of national elites who mediate between the domestic and global economies and control inflows of investment and aid, or between the national and local levels, as in the case of peripheral elites who are able to broker how state institutions, businesses and NGOs gain access to territory they control. In Tajikistan, for example, regional elites have derived significant power from controlling strategic borderland territories and the trade routes that traverse them. Adjudicating over how resources are distributed and regulated (such as property rights, business licenses, government budgets, access to services) is another important source of power.⁴¹ In Indonesia the military has become a state within a state as a result of the legacies of war and military elites derive huge power and wealth from the allocation of on-budget and off-budget resources. In many cases during wartime, power is rooted in controlling the means of violence and the ability to wage war.

³⁹ Denney, L. & Barron, P. (2015). 'Beyond the Toolkit: Supporting Peace Processes in Asia', *Working Politically in Practice Series, Case Study No.4*, San Francisco: The Asia Foundation, p.2.

⁴⁰ Khan, M. 2010. Political Settlements and the Governance of Growth-Enhancing Institutions.

⁴¹ Hickey, S. 2013. 'Thinking about the politics of inclusive development: towards a relational approach', *ESID Working Paper No. 1*. Manchester: ESID.



53. However, elite power is not only shaped by access to material resources; across the cases, other sources of authority linked to ideology, religion and identity are clearly significant. This includes; the role of religious and nationalist discourse in relation to Taliban mobilisation in Afghanistan; Somalian elites garnering support through clan loyalties and the threat posed by al-Shabaab; Eritrean elites use of the existential threat posed by neighbouring Ethiopia to build their legitimacy; the ability of the SPLA to gain ideological and ethnic support in Sudan and then to deliver as liberators the promise of Southern independence. Elites also operate at different levels. The focus of elite bargains and formal peace processes is often concentrated on national politics, which underplays the importance of transnational sources of power and the importance of subnational elites in shaping trajectories of violence and peace. Authority can also be derived from international support and legitimation. This may create a dual legitimacy problem for domestic elites; for example, the new SPLA-dominated Government of South Sudan focused on international opinion and gained its legitimacy through international support, leaving many South Sudanese feeling disenfranchised, insecure and with no space to express grievances against the SPLA.
54. These various foundations of power (by no means exhaustive) are not mutually exclusive and may be interlinked in the sense that one source of power can help gain access to others sources. In Afghanistan and Tajikistan, for example, coercive power in wartime has translated into formal political power, which in turn has provided elites with opportunities to establish businesses. The cases show that the holding power of warring elites can be based on very different foundations. It may range from solid rural 'support'⁴² (e.g., the FARC in Colombia), control over lucrative resources, cross-border trade (e.g., the RUF in Sierra Leone) or inflows of foreign aid (e.g., in Somalia), control over formal state institutions (such as Shia elites in Iraq and dominant castes in Nepal) and/or foreign backing (e.g., the M23 movement in the DRC).
55. Patterns of elite authority are shaped by the 'horizontal relationships' between different elites and the 'vertical relationships' between elites and their constituencies. Although attention is often concentrated on the horizontal contests between competing elites, the vertical relationships between elites and their followers are extremely important in determining how elite behaviour impacts upon society as a whole. These relationships vary considerably across cases according to a range of factors: how strong is the authority and legitimacy of elites in the eyes of their followers? What norms and expectations govern elites' relationships with their followers? Is their legitimacy widely accepted and strongly founded, or is it conditional upon delivering promises to followers and in constant need of legitimation? How much autonomy do elites have when negotiating? To what degree and under what circumstances do elites consult their constituents to ensure buy-in on bargains and pacts? How much power do elites have to convince their constituencies to accept deals they have made?
56. This brief overview of the diversity of elites across the cases emphasises the need for contextually-attuned understandings of who an elite is, what shapes elite interests and behaviour, what determines relationships and hierarchies between different elites and between elites and their followers, and how such relationships change over time. They demonstrate that elite behaviour is shaped by the context-specific histories of state formation and state capacity, institutional governance structures, cultures, resource endowments and regional neighbourhoods that elites operate within.

⁴² The term 'support' here is used broadly to include both voluntary and more coercive forms of support, in terms of recruitment, tax, food and intelligence provided by local populations.



57. At the same time the cases reveal the significance of elite agency, particularly during moments of rupture – including peace processes, or contingent events such as natural disasters (the tsunami in Aceh and Sri Lanka or the earthquake in Nepal) or external shocks (the end of Soviet funding in Tajikistan, shifts in commodity prices, such as gas in Aceh, drugs in Afghanistan, the Eritrean mining boom). The cases show many examples of *transactional* leadership, in which elites compete and collaborate according to the existing rules of the game and a few rarer cases of *transformational* leadership where individuals have attempted to capitalise on structural shifts or moments of rupture to transcend or transform the rules of the game and then re-define the scope for what can be negotiated, such as Santos's leadership of the Colombian peace process.
58. A number of the cases – Colombia, Northern Ireland, Malaysia, Philippines and Tajikistan – reveal the significant role that leaders can play in managing tensions and factional interests within the organisations they represent and also in establishing a narrative around negotiations that is palatable to all sides and can enable elites to 'sell' negotiations to their supporters. There are also instances where elites played a role in derailing bargaining processes. In some cases, such as in Mozambique, this resulted from the challenges (or transition costs) that leaders faced in making the transition from fighters to negotiators. In other cases, incumbent elites actively resisted the implementation of peace agreements that diluted their powers – as for example in Nepal, in which central state elites reasserted their control during a prolonged period of transition, reversing many of the gains made as a result of the 2006 Comprehensive Peace Accord.
59. In other cases, negotiations were derailed as a result of how elites used negotiations to shore up support or shift the balance of power within a conflict, especially in highly unstable contexts. For example, in the 1973 Paris Peace Accords during the Vietnam War, leaders on both sides sought to use the negotiations instrumentally. The North came to view the negotiations and temporary ceasefires as an opportunity to regroup and consolidate their military strength after the failure of earlier offensives, rather than to secure a more comprehensive bargain. The South Vietnamese government also looked to manipulate the negotiations, using the large-scale shipments of war material provided by the US – intended to placate the south Vietnamese leadership into accepting a deal – to launch offensives against Communist forces in the south. South Vietnam's leader, Thiệu, also used the negotiations to call for early elections after the Paris Accords, aware that the North would try to defer elections until it had built a stronger grassroots administrative structure in the south, and could thus be portrayed as undemocratic. In Sudan, the CPA was used by both Government of Sudan and the SPLA to shore up their dominance of the north and south respectively and to exclude their rivals.
60. The role of brokers comes out strongly in a number of cases, although typically this is an overlooked dynamic in shaping elite bargains, especially the interconnections between subnational, national and international actors and interests. Brokers are defined as 'network specialists' able to navigate across borders and between different political systems (such as between national-level politics and local politics, between different ethnic groups, and across international borders). The role of brokers becomes particularly salient in contexts where there is a misalignment between peace agreements and political settlements – this opens up points of friction and contestation, which create new spaces for brokerage. For example in Sri Lanka, the peace process generated new anxieties amongst important groups that were excluded including Muslims and nationalist groups from the south, which in turn facilitated the rise of southern politicians (including the Rajapaksas) and Muslim politicians and go-betweens. Brokers, as mediators between different levels of negotiations, can have an instrumental role in escalating or reducing violence – as for example with clan leaders in Somalia or tribal elites in Helmand;



violence may be deployed as a way of extracting concessions from the state, ‘unsettling’ political settlements or shifting the dynamics of elite bargaining.

3.2 Elite bargains in the context of war to peace transitions

61. The interplay between structure, institutions and agency shapes the spaces for, and the dynamics of elite bargaining, and variations in these dynamics lead to different pathways out of conflict. The cases reveal three particularly important characteristics of elite bargaining: (1) the types of violence surrounding processes of elite bargaining; (2) how resources/rents are allocated between elites; and (3) who is included and excluded from elite bargains.

3.2.1 Levels of violence

62. This report is interested specifically in violence that immediately precedes or follows a peace agreement and how this violence relates to the processes of elite bargaining surrounding these agreements. At these critical junctures – or moments of rupture – the cases reveal three broad forms of violence: *competitive*, *embedded* and *permissive*.

Competitive violence

63. Competitive violence refers to violence that is deployed to contest the distribution of resources and power. Since formal mechanisms for mediating social conflict and for redressing grievances (such as the rule of law, democracy) are weak in fragile and conflict-affected states, violence can become a mechanism through which elites attempt to renegotiate the existing political settlement. This kind of violence may be deployed prior to or during negotiations in order to strengthen elites’ bargaining position, or it may occur in the aftermath of an agreement that is adjudged by certain elites to have failed to fulfil their interests and expectations.
64. Competitive violence often encompasses large-scale violence and can be divided into two related forms:
- **‘conservative’ competitive violence**, which is deployed by those looking to preserve their existing position and power. It represents the use of violence by those in power against those excluded from power in order to prevent their entry into the system. The Tajik state’s violent dismantling of autonomous centres of power following the 1997 peace agreements offers a clear example.
 - **‘transformative’ competitive violence**, which is initiated by those aiming to renegotiate the ‘terms’ (i.e., the distribution of economic, political and social benefits) of the existing political settlement. This may be violence deployed by actors excluded from existing negotiations or by actors within these negotiations that are looking to renegotiate their position and power. This kind of violence may be deployed by actors with a relatively limited aim to improve their position and power, or by actors aiming to fundamentally challenge the political settlement.
65. Negotiating an elite bargain (or more commonly a set of interrelated elite bargains⁴³) that is able to redistribute resources in a way that more accurately reflects the underlying distribution of power is commonly understood as the first step in stabilising competitive violence. This is in part because such processes are seen as a way to disincentivise violence as a mechanism to

⁴³ For example the Tajik accords were preceded by a set of agreements involving Russia, Iran, Afghanistan, and government-aligned and opposition groups within and outside Tajikistan.



enforce change. However, elite bargains do not necessarily bring an end to violence, even in cases where they stabilise violent conflict in the short term. Warring parties are not monolithic but typically contain different factions. Decisions over whether to enter into negotiations or to continue fighting is often a key fault-line, as shown in the cases of the IRA in Northern Ireland, the FARC in Colombia and the RUF in Sierra Leone.

66. The failure of negotiations (either formal or informal) to secure an elite consensus, or even an informal set of elite bargains, may empower hardliners within warring parties by delegitimising those advocating negotiation and strengthening calls for more militant approaches. Therefore flawed negotiation processes, which lead to bargains secured in bad faith, may be more detrimental than no agreement. The cases reveal that the collapse of an elite bargain can do enormous damage to an actor's credibility and legitimacy, and can provide the justification for a return to violence. For example, the original M23 soldiers who rebelled against the Congolese government in Eastern DRC in 2012-13 cited the failure to uphold the terms of an earlier deal as a key factor. Similarly, in Afghanistan, the failure to defend the Sangin Accord precipitated the return of Taliban control and insurgent violence, and undermined those commanders who had been advocating a deal. In Iraq, the failure of the US to uphold the terms of the Sunni Awakening set the scene for the subsequent phase of Sunni insurgency.
67. Elite bargains may also be used instrumentally by warring parties – a continuation of war by other means – to escalate violence before then seeking the renegotiation of a political settlement after having become more dominant. For example in Sri Lanka the Rajapaksa government's strategy was based on a series of elite bargains (including southern nationalist parties, India and China, but excluding the LTTE and Western countries), which enabled it to pursue the war more brutally and effectively. Though many other cases demonstrate this phenomenon on a lesser scale – how initial bargains were subsequently utilised to escalate conflict, but this preceded and indeed enabled the renegotiation of a political settlement, or the imposition of a victor's peace.

Embedded violence

68. The examples above show how failed negotiations can lead to more violence. However, the cases also reveal how violence often continues even where elite bargains hold, with violence becoming *embedded* in how a political settlement works. The cases reveal how negotiations revolve not only around economic privileges (control over certain resources, import licences) or political privileges (government positions), but also around the 'right' to use violence. These 'violence rights' determine who has the 'right' to enact violence, upon whom, for what reasons, and with what level of impunity.
69. The cases reveal a number of reasons why this often occurs. In Guatemala the peace agreements forged in the mid-1990s were founded upon elite bargains that were highly exclusionary, concentrating wealth and opportunities in the hands of a small elite, with violence becoming a key mechanism of holding dissent in check. Violent strategies learnt and deployed in war became mechanisms for securing the unequal benefits of 'peace-time'. This phenomenon is clearly evident in other cases such as Sri Lanka, where brutal counter-insurgency tactics became an important part of post-conflict policing. This phenomenon has been exacerbated in certain cases such as Indonesia, where elite bargains have been based on giving certain elites impunity for wartime atrocities and preserving the size and powers of security forces. In Guatemala, although there were efforts as part of the peace deal to instigate Security Sector Reform (SSR), notably to establish a new police force, this had little success as the police and military were able to resist budget cuts and reforms.



70. Greater stability may also open up former conflict-affected regions to forms of state power – especially militarisation – and resource extraction that are underpinned by new forms of ‘peace-time’ violence. In many cases, the extraction of resources from former warzones has been developed through alliances between wartime adversaries, who collude to secure wealth and to discipline and control local populations.
71. Embedded violence can also have highly gendered dynamics, as the use of gender and sexual violence as a means to terrorise and enforce control during wartime subsequently becomes embedded in the peace-time tactics deployed by security forces. In Guatemala – a case remarkable for the fact that levels of violent deaths were higher in the years after the end of the war than during it – violence enacted by the police and the army was justified through narratives of continued insecurity and the need to police a general culture of violence. However, this disguised the ways in which such violence was used to systematically target political opposition and to secure and enforce deeply inequitable forms of wealth accumulation (often based on the alliances forced between security forces and organised crime). The same tactics of rape, torture and disappearances ubiquitous during the war became embedded in the foundation of post-war order.⁴⁴

Permissive violence

72. The cases also reveal instances of violence that result from the state’s inability to monopolise control over violence, but that are neither directly aimed at contesting the political settlement (competitive violence) nor integral to how a political settlement stabilises (embedded violence). Violence occurs because the state is unable or unwilling to monopolise control over violence and has instead made selective decisions about how and where to allocate the limited coercive resources at its disposal. This creates opportunities for ‘permissive’ violence in the sense that a government ‘permits’ certain types of violence to happen in certain places because it has chosen to focus its limited coercive resources (i.e., police and military deployment) elsewhere. As well as including violence that is not aimed at destabilising the over-arching political settlement it may also encompass forms of criminal activity in which violence is a key component. Indeed, violent criminal actors may have a vested interest in upholding the status quo since it is within this system that they are able to operate. Stability may strengthen criminal organisations by creating a more secure and predictable environment within which to operate and/or by increasing recruits from former armed groups. For example, in Colombia the demobilisation of government-backed anti-insurgency paramilitary groups between 2003 and 2006, known as the Autodefensas Unidas de Colombia (AUC), led to a reorganisation of criminal groups. Today, many of the country’s so-called ‘criminal bands’ have their roots in the AUC and some are large-scale drug traffickers, collect protection taxes and exert territorial control.
73. These various types of violence are often closely interlinked and can mutate over time. Groups that accumulate power and wealth through forms of permissive violence may then look to challenge the state to demand greater inclusion into formal structures of power. The distinctions between forms of embedded and permissive violence may be particularly opaque. In Guatemala alliances between the police, military and criminal groups emerged in the late 1990s after the end of the country’s long-running war. Violence, justified through narratives of insecurity, has been deployed by security forces as a result of partnerships between the traditional oligarchy and newly enriched elites – including entrepreneurs involved in criminal violence (especially drug-trafficking). However, the informality governing these agreements has

⁴⁴ McNeish, J. and López Rivera, O. (2012). “The Multiple Forms of Violence in Post-War Guatemala”, In: Suhrke, Astri and Mats Berdal (2012), *The Peace In Between: Post-War Violence and Peacebuilding* (London: Routledge).



made the 'rules of the game' surrounding these types of violence uncertain and volatile. It is unclear whether such violence is officially sanctioned - and has become embedded in the country's political settlement - or is merely tolerated by the state. Governments may periodically seek to crack down on such forms of violence due to international pressure, efforts to improve their legitimacy, or fears of the growing power of potential competitors.

Borderlands as sites of protracted violence

74. Across the cases the significance of borderlands in shaping the dynamics of violence comes out strongly, whether in the cases of cross-border conflicts (Ethiopia-Eritrea, Sudan-South Sudan), subnational conflicts with strong trans-border dimensions (e.g. Nepal, Sri Lanka, Philippines) or in regionalised conflict systems in which cross-border dynamics are integral (e.g. DRC, Afghanistan, Tajikistan). This reflects a wider phenomenon, with borderland regions frequently cast as 'black spots' embodying zones of persistent violent conflict, unruliness and organised crime, and home to some of the world's most vulnerable and impoverished populations.
75. In many cases, armed challenges to the existing political settlement have emerged from borderland regions. These regions frequently have a tradition of insurrection, and the acquiescence of borderland elites and populations cannot be guaranteed. Government efforts to incorporate borderlands are frequently predicated on suspending, rather than extending the rule of law; governance strategies in such zones diverge from idealised models of statecraft, resulting in borderland populations being subjected to exemplary violence and greater human rights abuses than citizens living at the centre. In Colombia and Afghanistan for example, the frontier regions have been subject to policies of indirect rule and violent policing through para-military forces.
76. In cases where border areas are resource rich or offer extensive economic opportunities (such as through trade), suspending the law and militarisation on national security grounds enable resources and wealth-generating opportunities to be secured through violence, and keeps resistance to highly inequitable forms of development in check. Post-war transitions often embody profound moments of rupture that enables the re-working of social relations; peace may 'open up' spaces for new actors to move into, and/or create competition over (the formalisation of) control of wartime economies. For example in Sri Lanka, the 2009 military victory opened up the frontier regions of the north and east to new economic opportunities, including tourism and fisheries, that went hand in hand with a military occupation and a counterinsurgency campaign. Across many of the cases, the primary aim of establishing order in borderland areas has been less about ending violence and more about (re)asserting who has the means to wield violence, for what purposes and with what authority/legitimacy. In Colombia, for example, the peace process and the disarmament of the FARC has been followed by renewed violence over control of land and resources in areas formerly controlled by the rebels.
77. The cases also show that for those seeking to challenge state authority, borderlands confer a number of strategic and practical advantages, which enhance the disruptive potential of elites in these areas. Even relatively small armed groups can deploy competitive violence against the state in an attempt to renegotiate the terms of the existing political settlement. In many of the cases - notably Afghanistan, DRC, Sierra Leone - access to cross-border spaces provided armed groups with a means to resist and evade the state. Cross-border services, including medical services, education, and banking, can reduce the costs associated with fighting. Cross-border trade networks can also provide opposition groups with access to weapons, finance and information, whilst the presence of international borders typically prevents state authorities



from being able to directly curb activities beyond their boundaries. The RUF, for example established bases at the confluence of the border regions of Sierra Leone, Liberia and Guinea, an area that was inaccessible to state actors, as well as being a centre for alluvial diamond mining, and a key node in regional trade networks.

78. A number of the cases also reveal how the challenges that states face in extending or consolidating authority in borderland regions can result in informal coalitions being forged between central government elites and local armed proxies, such as paramilitaries in Colombia. In such cases, elites from the centre are less interested in containing violence than franchising out the means of coercion to secure greater control over resources and populations. Forms of 'embedded violence' are especially prevalent in the mechanisms through which elites seek to secure control in borderlands. Bargains struck between government elites and local armed proxies can also leave borderland populations vulnerable to forms of 'permissive violence' as the government turns a blind eye to the abuses conducted by local militias and paramilitaries to pursue their own private interests.
79. Such violence can have distinctly gendered dynamics with borderlands becoming hyper-masculinised environments that marginalise women's voices and make forms of physical and sexual violence integral to these forms of 'embedded' and 'permissive' violence. This was notably the case in Colombia's frontier regions; there is a long history of state neglect and indirect rule, and during the war state protection afforded to paramilitaries enabled them to commit acts of violence – notably sexual and gender-based violence – on populations to further entrench their control over drug trafficking and to silence or punish dissenting voices from social activists, campesinos, and indigenous leaders.⁴⁵
80. A focus on borderland dynamics – often overlooked in state-based frameworks – offers important insights into understanding why these regions are prone to violence and instability.⁴⁶ Although borderland violence is often viewed as indicative of a lack of state penetration, in many cases such violence arises not from a lack of state presence but out of the tensions that commonly emerge between the logic of the nation-state – predicated on firm borders, single national identities – and dynamics in borderland areas where populations are more fluid and have multiple forms of loyalty and belonging. These tensions can make borderlands particularly difficult contexts in which to manage violence through building stable coalitions.

Conclusions: Re-considering the relationship between violence and elite bargaining

81. Violence may be a result of a political settlement breaking down, but may also become embedded in elite bargains and be integral to how a new political settlement operates. In such cases, processes of elite bargaining may stabilise 'competitive violence' but may be underpinned by forms of 'embedded violence' and allow certain forms of 'permissive violence'. This warns against the assumption that negotiations to stabilise large-scale conflict will necessarily end violence and reveals that a stable political settlement may still expose populations to significant levels of violence. The signing of the Comprehensive Agreement on Bangsamoro (CAB) by the Philippines government and the Moro Islamic Liberation Front in 2014, may have brought an end to large scale competitive violence, but not to other forms of violence linked to a thriving shadow economy and long standing inter-communal and clan-based conflicts. In contrast to the kinds of institution-building envisioned by the good governance

⁴⁵ ABColombia. (2013). Colombia: Women, Conflict-Related Sexual Violence and the Peace Process. London: ABColombia.

⁴⁶ Goodhand, J. (2014). 'Fragility and resilience analysis background note: The political economy of development in borderlands'. Prepared for *World Bank Social, Urban, Rural and Resilience Global Practice (GPSURR)*.



agenda, institutions that develop in periods of transition – notably regarding property rights and the rule of law – may often be about disguising and taming violence and securing and legitimising forms of wealth and power accumulated through violence.

3.2.2 Rent-sharing arrangements

Introduction

82. A second key dynamic of elite bargaining relates to how resources and rents are allocated between elites. As already outlined in Chapter 2, in many fragile and conflict-affected countries, the state does not command a monopoly over the means of violence and manipulating access to material resources can be an important mechanism upon which stability is founded.⁴⁷ Elites with the capacity to challenge state authority can be provided with privileged access to material resources, so as to bind them into a stable coalition. The dynamics of rent-sharing arrangements varies across the cases and are shaped by the nature of resource endowments, their geographical dispersion and the institutional frameworks that govern access to and control over resources. This section analyses how variations in the material base over which elites compete and the nature of rent-sharing arrangements shape processes of elite bargaining.

War economies and new elites

83. Protracted armed conflict, as noted earlier, has transformative effects, the types and magnitude of which vary across the cases according to a range of factors including the duration, geographical spread, intensity and destructiveness of conflict, the capacity, reach and legitimacy of the state, the country's resource endowments, level of development and demographic features. In long running, regional conflict systems – such as Somalia, Afghanistan, Mali, Sierra Leone, South Sudan and the DRC – where accumulation strategies depend on controlling key nodes and linkages to external markets and outside funders, the mechanisms through which elites mobilise resources to entrench their power are heavily dependent upon their ties with the global, rather than domestic, political and economic system, resulting in weak downward ties to their domestic support bases.⁴⁸ In contrast, where rebel groups have depended to a greater extent on domestic support and local revenue generation and have invested in state-like structures – as in the cases of the Viet Cong, GAM in Aceh, the LTTE in Sri Lanka and the CPN(M) in Nepal – this may translate into a relatively loyal constituency, and an elite whose power depends in part on the provision of public resources and a level of vertical inclusion in the context of a war to peace transition.

84. Shifts in control of key (internal and external) resources or sectors of the economy may tilt the balance of power in favour of a negotiated settlement (e.g., reduced gas revenues to GAM) or an outright victory (e.g., cutting of Rwandan support to M23). Or the promise of increased resources may incentivise elite negotiations – as for example in the failed Lomé Accord in Sierra Leone, which made significant concessions to the RUF and in South Sudan, where the SPLA gained access to the oil revenues by agreeing to the Comprehensive Peace Agreement. In contrast, in Malaya, there was no formal peace agreement, but peace was forged by building elite economic and political inter-dependencies.

⁴⁷ Cheng, Christine (2018). *Extralegal groups in post-conflict Liberia: How trade makes the state*. Oxford, Oxford University Press.

⁴⁸ Bayart, J-F. & Ellis, S. (2000). 'Africa in the world: A history of extraversion', *African Affairs*, Vol. 99 No. 395: 217-267.



Peace agreements and rent sharing

85. Peace agreements have increasingly included provisions that deal with the economic dimensions of conflict – often approached under the topic of ‘resource sharing’ – with the stated aim of generating a peace dividend, promoting inclusion and addressing economic grievances. These economic provisions are common to almost all the cases, but the operationalisation and impacts of these provisions vary greatly.
86. Where the state commands a monopoly of violence and there are functioning state institutions, then elite bargains revolve primarily around access to formal political power, public funds and the provision of services to their constituencies. In Northern Ireland, there was a positive relationship between the peace agreement and economic reforms. Arguably, the promise of major infrastructure and investment programmes created further incentive for peace.
87. In other functioning albeit less established democracies – such as Sri Lanka, Nepal, Philippines, Colombia – elite bargaining in the context of peace negotiations is strongly shaped by concerns over the control and provision of public resources and the mobilisation of societal support. Economic provisions can be deployed as a form of confidence building and normalisation, as for example with the Bangsamoro Transition Commission in the Philippines, which oversaw a quick impact socio-economic programme. Similarly, during the Sri Lankan peace process humanitarian assistance to the north and east was viewed as a vehicle for building trust between the two sides. In Aceh, negotiations around power sharing and regional autonomy were explicitly linked to fiscal policies, and shares of aid and gas revenues. In Sri Lanka, the 2002-08 peace process was explicitly linked to economic reforms which included trade liberalisation, cutting state subsidies and civil service reform – all of which adversely affected poor groups in the south and therefore undermined support for the peace process. The elite bargain in this case was between a metropolitan, pro-western and pro-liberalisation political elite and a Colombo-based business community, alongside the Norwegians and key international donors. In Colombia on the other hand, there was a stronger and more broad-based domestic coalition for peace talks, which pitted the pro-reform and pro-talks urban elites against the traditional land-owning rural elites who resisted negotiations and concessions to FARC.
88. In cases where the means of violence are fragmented, institutions are weak and efforts to forge stability are rooted in informal deals around political privileges and economic resources – as in Somalia, Sudan or Afghanistan – the public budget is largely a sideshow. The key to power is command of discretionary funds. In such contexts, as Alex de Waal notes, peace agreements can be understood less as formal legal texts than ‘rental agreements’ between political elites.⁴⁹ The 1997 Tajik peace agreement is a good example; underpinning the official settlement was a ‘wicked deal’ in which elites divvied up control of the economy, and in particular access to rents generated by the drug economy. This resulted in a political settlement in which “warlords became the state”.⁵⁰ In Colombia, in contrast to Tajikistan, the drug economy has been explicitly and formally linked to the peace agreement, including measures to transform the war economy into a peace economy through land reform and the provision of resources for alternative licit activities, although the extent to which these reforms will be implemented in Colombia remains questionable. In Afghanistan, there was a fundamental misalignment between the Bonn Agreement and the underlying political settlement. The peace agreement excluded the Taliban in spite of their coercive power and independent tax base, which was

⁴⁹ De Waal, A. (2009), ‘Mission without end? Peacekeeping in the African political marketplace’, *International Affairs* 85:1, pp. 99-113.

⁵⁰ Driscoll, J. (2015). *Warlords and Coalition Politics in Post-Soviet States*. Cambridge: Cambridge University Press.



linked to drugs and cross-border smuggling and resource flows from the Middle East. The signing of a peace agreement may also trigger major infusions of international aid (as discussed further in Chapter 4), which raise the stakes and intensity of elite bargaining for control of aid flows.

89. Therefore elite bargains can be understood as ‘provision pacts’⁵¹ held together by the distribution between elites of exclusive political privileges and economic opportunities (‘rents’), for example monopolies, import/export licenses. These rents provide the ‘glue’ that holds together fragile coalitions between elites by encouraging them to see the benefits of co-operation rather than opposition to the state.⁵² The dynamics of these rent-sharing agreements varies according to their institutional and geographical setting and the characteristics of the resources. For example lootable and diffuse resources such as drugs in Afghanistan and alluvial diamonds in Sierra Leone are more difficult for state actors to monopolise and tax, commonly leading to ‘joint extraction’ agreements between state and non-state actors.⁵³ In such cases, elite bargaining, mediated through brokers at the subnational level, may be pivotal to stability. The level of dependence on one particular resource heightens the stakes, intensity and deadliness of competition for its control – as for example in the case of oil in South Sudan, which amounts to its totality of exports and 60% of GDP; the shutdown of the oil flow in 2012 deprived political elites of their main instrument for running the country, leading to the violent fragmentation of the political marketplace.
90. ‘Provision pacts’ therefore provide incentives to manage violence, through the selective inclusion of key elites, i.e. those in possession of significant holding power. Yet holding power is not a fixed quality – where the means of violence are diffuse, and political relationships are volatile, the balance of power can change rapidly. Where elite time preferences are oriented towards the short term, no side is willing to credibly commit and defection is always a possibility. In post-2001 Afghanistan for example, regional strongmen perpetually hedge in their dealings with the central state – they make ‘spot bargains’ today in the expectation that they may be able to get a better deal tomorrow. Elections may, perversely, increase the incentives for short term predation as they can shorten the life cycles of elite bargaining and require large ‘war chests’ of discretionary funding, which need to be recouped in the post-election period.
91. Groups that do not have the capacity to engage in ‘competitive violence’ to challenge the national level political settlement may retain disruptive power. For example, in Afghanistan most of the top-level leaders of factions linked to the Northern Alliance were folded into the national or provincial government after the Bonn agreement, but mid- to low-level commanders were cut adrift by their former patrons, and with few opportunities in the licit economy, many found new niches within militias or the drug economy.
92. Denying access to rents may be a vehicle for renegotiating a peace agreement. For example the blockade of the India-Nepal border was heavily supported by Madhesi political elites (with the tacit backing of India) in order to place pressure on central state elites by those opposed to parts of the country’s newly promulgated constitution, especially negotiations on federalism.

⁵¹ Slater, D. (2010). *Ordering Power: Contentious Politics and Authoritarian Leviathans in Southeast Asia*. Cambridge: Cambridge University Press.

⁵² North, D., & Willis, J. & Weingast, B. (2009). *Violence and Social Orders: A Conceptual Framework for Interpreting Recorded Human History*. New York: Cambridge University Press.

⁵³ Snyder, R. (2006). ‘Does Lutable Wealth Breed Disorder?: A Political Economy of Extraction Framework’, *Comparative Political Studies* 39: 943–968.



93. Indeed, many of the cases demonstrate how borderlands can create specific sets of dynamics around rent-sharing arrangements. Although borderland regions may be geographically peripheral, when viewed from state capitals, they are often linked into national and global networks of trade, capital and investment, and metropolitan centres are shaped by, or indeed dependent on, processes of resource extraction, territorial control and development in state margins. In Afghanistan and Tajikistan, for example, revenues generated from the drug economy have been invested in property markets in Kabul, Dushanbe, Dubai, and further afield.
94. However, borderland regions often pose specific challenges to incumbent elites. This is because efforts to forge stability by establishing a 'limited access order' through manipulating economic opportunities is difficult in border regions because cross-border trade networks, potential investors, forms of patronage and access to alternative power centres break down the logic of limited access orders. Peripheral elites who control border crossings and trading corridors have a great deal of bargaining power – borrowing from de Waal, the costs of buying the loyalty of such actors is extremely high. These challenges are magnified in cases such as Afghanistan and Tajikistan where the power of borderland elites is based on illegal cross-border economies, which because of their diffuse, fugitive qualities and their illegality make it difficult for state actors to control or monopolise. Because of these features, borderland areas can become especially prone to protracted war cycles in which the state's determination to secure borders (and the challenges it faces in doing so) lead to forms of state violence, which in turn encourages borderland elites to view the state with distrust and apprehension and maintain cross-border networks that further undermine the scope for a more stable limited access order to emerge.
95. Power sharing and rent sharing agreements may create problematic legacies. First, peace agreements may reinforce the rules of the game and elite divisions forged in wartime. For example the Dayton Agreement recognised and entrenched the power of ethno-political entrepreneurs, as positions and resources were divvied up between the key ethnic groups.
96. Second, they may increase the holding power of groups who block moves towards more inclusive political settlements. Military groups that emerge in the war may remain politically salient, even after losing access to the means of coercion; the legitimacy of leaders may be bound up with their ability to pay back their fighters for the sacrifices they have made in the war, as for example with Maoist cadres in Nepal or former ELF fighters in Eritrea.
97. Third, though elite bargaining may create disincentives for violence by priming the patronage pump, in the longer term this may delegitimise political actors. The incorporation of the Maoists in Nepal into mainstream clientelist politics has diluted their political demands and damaged their credentials with their support base, contributing to a splintering of the movement. Post-war corruption may be stabilising in the short term but have long-term development costs leading to an 'unproductive peace'. As noted in the previous section, there may be a shift from competitive to 'embedded' and 'permissive' violence, as seen in the growing levels of criminal violence in Colombia and Northern Ireland.

Post-agreement stabilisation

98. Stabilising violent conflict is typically viewed as an important first step towards improving levels of economic development and generating a peace dividend. Stability can reduce the disruption to national economies caused by war (e.g., the destruction of infrastructure, the use of revenue for military purposes rather than economic investment). Furthermore, forging more inclusive elite bargains, it is presumed, can ensure that economic decisions are not based on the



interests of a narrow set of elites (often focused on predation), but are founded upon a more broad-based “encompassing interest” in society that is likely to increase scope for improved welfare services, greater economic competition and more productive allocation of resources.⁵⁴

99. However, rent-sharing arrangements pose two major challenges to efforts at promoting more developmental or productive peace. First, the distribution of economic opportunities is based upon a political logic of how to minimise threats to the state, rather than a meritocratic logic of how such opportunities could be distributed to maximise economic growth or reduce poverty. Second, such arrangements may create a dominant coalition of elites that are aligned against democratisation, market liberalisation, and the rule of law because such reforms threaten to destabilise the system of rents upon which stability is built.

Conclusion

100. The case studies challenge the assumption that elite bargains will necessarily promote stability and economic development simultaneously and reveal the trade-offs that often exist between peace promotion, economic growth and equitable development. They show that stability is often predicated upon rent sharing arrangements that are very problematic in terms of providing foundations for other policy goals such as economic growth, poverty reduction and good governance. Thus, the evidence warns against the assumption that ‘all good things come together’ and reveal that very significant trade-offs may exist between different policy goals of stabilising violent conflict, promoting economic development and tackling illicit economies and organised crime.

3.2.3 The politics of inclusion

Introduction

101. Many armed conflicts are fought to contest forms of exclusion. In Nepal and Sri Lanka the Maoists and the LTTE mobilised around a narrative of grievances linked to state-based exclusion. In these contexts – and many others including Mali, Indonesia (Aceh), the Philippines, Sudan – rebel groups emerged as a direct challenge to the centralised power of metropolitan elites. Issues of inclusion and exclusion have thus become a major policy concern surrounding how to stabilise violent conflict and to promote more developmental political settlements.⁵⁵ The extent to which elite bargains accommodate competing elite interests is understood as a key determinant of their durability, and policymakers have explicitly aimed to use peace negotiations as “windows of opportunity” to promote “inclusive politics” designed to forge new political settlements that address the interests of vulnerable and marginalised groups.⁵⁶ However, the scope for reaching more inclusive political settlements is shaped by the nature of the conflict – i.e. what is being fought over – and the tensions that often exist between elite inclusion and broader social inclusion. This section assesses the patterns of inclusion and exclusion surrounding processes of elite bargaining (and how these change over time) in order to analyse the impact that elite bargaining has on reducing levels of violence and providing the foundations for sustained peacebuilding. It emphasises the importance of analysing *what* are the interests over which struggles for inclusion are fought (i.e. the type of conflict), *who* is

⁵⁴ Lindemann, S. (2011), 'Inclusive Elite Bargains and the Dilemma of Unproductive Peace: a Zambian case study', *Third World Quarterly*, Vol.32, No.10, p.1846.

⁵⁵ Bell, C. (2015). 'What we talk about when we talk about political settlements: Towards Inclusive and Open Political Settlements in an Era of Disillusionment', *Political Settlements Research Programme Working Paper 1*; Hickey, S. (2013). 'Thinking about the politics of inclusive development: Towards a relational approach', *Effective States and Inclusive Development (ESID) Working Paper No.1*. DFID. (2010). *Building Peaceful States and Societies*. London: DFID.

⁵⁶ DFID. (2010). *Building Peaceful States and Societies. DFID Practice Paper*. London: DFID.



included in elite bargains, and *how* competing interests are included. It also emphasises the importance of analysing both ‘horizontal inclusion’ between elites and ‘vertical inclusion’ between elites and wider society.

The type of conflict: Divisible and indivisible conflicts

102. The prospects for elite bargaining to establish the foundations for more stable and inclusive political settlements are shaped by the types of interests over which conflict is fought. Broadly, conflicts can be understood as ‘divisible’ or ‘indivisible’ in nature.⁵⁷ ‘Divisible’ conflicts are those where competing interests and grievances revolve around contestation over access to resources, political rights and rent-sharing arrangements. Tajikistan’s civil war between 1992 and 1997, for example, was fought over a set of ‘divisible’ interests regarding the share of political and economic power and opportunities in the new post-Soviet Republic. In contrast, ‘indivisible’ conflicts are over territory, secession, or cultural politics where issues of ethnicity or identity have hardened into deep social divisions.⁵⁸ In these conflicts, satisfying the interests of certain warring parties is not possible without directly excluding the interests of opposing groups. For example, demands for secession by the LTTE in Sri Lanka and in Aceh, and the ethnic conflict in Bosnia and Herzegovina epitomise these kinds of indivisible conflicts.

103. Divisible conflicts offer greater scope for negotiation and compromise and the emergence of political settlements that are more inclusive of competing interests. Furthermore, the fact that these kinds of conflicts are never finished – for example, there is always scope to renegotiate who is given access to natural resources or how the public budget is divided – creates a sense of impermanence that can open space for ongoing rounds of negotiations and compromise rather than a return to war. The kinds of ‘provision pacts’ and ‘transactional’ elite bargains (outlined above) most common to efforts to stabilise violent conflict offer greater scope to negotiate forms of inclusion in ‘divisible’ conflicts. In contrast, it is much harder to accommodate the polarised interests characteristic of ‘indivisible’ conflicts through these kinds of transactional bargaining processes.

104. Although rent-sharing arrangements have often been deployed in an attempt to stabilise indivisible conflicts, for example efforts to ‘buy-off’ secessionist groups or to accommodate polarised social groups through consociational political systems (see below), the scope for such bargains to hold is limited where underlying divisions remain unaddressed. This is especially the case where such rent-sharing arrangements have primarily focused on the ‘horizontal inclusion’ of elites and failed to address ‘vertical inclusion’ between elites and societal groups. In such cases, notably Bosnia and Herzegovina, efforts to forge ‘horizontal inclusion’ based on rent-sharing arrangements have not been enough to bind elites into lasting stable coalitions where the constituencies of these elites (whose support they must maintain) continue to view their interests and grievances in zero-sum terms. In contrast, where the drivers of violent conflict shift over time away from indivisible to divisible claims, there may be more scope for elite bargains to pave the way for more durable inclusive political settlements. For example, in Aceh,

⁵⁷ The concept of ‘divisible’ and ‘indivisible’ conflicts is found in the work of Albert Hirschman. See: Hirschman, A. (2013). *The Passions and the Interests: Political Arguments for Capitalism before Its Triumph*. Princeton, New Jersey: Princeton Classics.

⁵⁸ Defining such identity-based conflicts as ‘indivisible’ is not to suggest that identities are fixed and that forms of social difference (such as ethnicity) are inherently conflictual. Indeed, there are many cases where ethnically diverse countries have not experienced violent conflict or where periods of violent conflict have been interspersed with long periods of stability and peace. Rather, it is to emphasise that the mobilisation of socio-cultural differences into polarised ‘us-them’ narratives – often during wartime (rather than as an initial driver of war) or as a mechanism through which elites have sought to mobilise support – can lead to grievances and demands to develop along indivisible lines.



the gradual shift in the framing of grievances of the Free Aceh Movement (GAM) away from a demand for outright secession to demands for greater political rights, the withdrawal of non-Aceh government troops from the region, the right to establish local political parties and the division of resource revenue, marked a shift from an indivisible to a divisible conflict. This offered greater scope for negotiations to establish a political settlement viewed as inclusive enough for GAM without the need to satisfy demands for independence that would not be acceptable to the Indonesian government.

Who is included?

105. Many of the cases show that inclusion is an important factor in determining the feasibility of elite bargaining to reduce levels of violence. This is especially significant in contexts where there has been a history of previous attempts to negotiate deals that excluded (or were perceived to marginalise) key players. For example, the fact that the Northern Ireland peace process was largely inclusive of all major actors and constituencies was instrumental in leading to the Good Friday Agreement, in contrast to earlier peace processes that had failed because a major actor had been excluded. In Somalia, where there is great sensitivity surrounding the clan composition of any government or assembly, the so-called 4.5 formula – which assigns the country's four major clans with equal representation and assigns half of the share of one major clan for what are termed minor clans – has become an important (though controversial and contested) foundation for a series of elite bargains.
106. In political settlements analysis the notion of 'inclusiveness' tends to refer to whether powerful elites are included or excluded from a political settlement. Political settlements where elites with significant 'holding power' are excluded are likely to be unstable and prone to violence, whereas those that incorporate the interests of all powerful elites are likely to be stable – although not necessarily developmental. However, this emphasis on inclusion also creates certain tensions. The exclusion of certain unpalatable elites, such as organisations linked with terrorism, human rights abuses or crime – the Taliban in Afghanistan for example – may be deemed essential to delivering a more 'developmental peace' (e.g., promoting gender rights and equality and democratisation). However, their exclusion may also make political settlements volatile and unstable since it means that the interests of powerful elites are not represented and it exacerbates the risk that bargains are misaligned with the underlying configuration of power. In other cases the exclusion of certain groups, such as al-Shabaab in Somalia, has served as an important unifying principle amongst other disparate elites. These contrasting examples emphasise the importance of a context-specific analysis of the relationship between inclusion, elite bargaining and instability.

Horizontal and vertical inclusion

107. The cases also reveal the need to consider inclusion along two axes: 'horizontal inclusion' between different elites and 'vertical inclusion' between elites and those that they represent. These relationships vary considerably across different contexts and play a definitive role in shaping processes of elite bargaining.
108. Horizontal inclusion of powerful elites is often viewed as the most important mechanism through which to secure an initial reduction in levels of armed conflict. There is often the assumption that once a degree of stability is created, space will open for more concerted peace negotiations able to promote social inclusion. However, many cases warn against this perceived assumption. Even a peace agreement that is inclusive of all competing elites may very quickly prove unsustainable if it is impossible for elites to 'sell' these deals to the constituencies they represent and do not incorporate some form of 'vertical inclusion' that includes the interests of



these constituents. For example, the quick breakdown of the 2006 Darfur Peace Agreement (DPA) signed by the Government of Sudan and one faction of the SPLA was partly attributable to the fact that pressure on elites to sign the agreement quickly under heavy international scrutiny resulted in a deal that became increasingly disconnected from realities on the ground and became impossible for elites to impose in the areas they governed.

109. In some cases the stability of elite bargains is explicitly founded upon incentives/rents provided to elites that exploit less powerful groups in society. For example, in many cases the rent-sharing arrangements that underpin elite bargaining have included large-scale land concessions – such as for mining, hydropower dams and export agriculture in Guatemala – that have dispossessed and impoverished smallholders. Such cases starkly reveal how the kinds of ‘horizontal inclusion’ deployed to address competitive violence can embed violence in political settlements that works to exclude certain societal groups from the benefits of peace.
110. In other cases, such as Nepal, an inclusive elite bargain has subsequently enabled certain elites to use their position within the political system to protect their historical ‘distributional advantages’ and to resist attempts to instigate a more inclusive political settlement, revealing the costs of inclusion.
111. These dynamics are also often highly gendered. The prioritisation given to forms of horizontal elite inclusion invariably marginalises, or excludes entirely, the voices and interests of women. Where the interests of women and other marginalised groups are not an important factor in how elites mobilise support and maintain legitimacy, stabilising conflict through forms of horizontal inclusion are likely to (re-)entrench inequalities and conservative attitudes and reverse gains made during conflict (such as how wartime roles undertaken by women may have challenged the pre-conceptions underpinning pre-war gender relations and opened political space to challenge gender inequalities).

How are competing interests included? The mode of inclusion

112. It is widely understood that more inclusive elite bargains are more likely to stabilise armed conflict and to provide the foundation for sustainable political settlements by ensuring that all powerful elites develop vested interests in supporting the political and economic system rather than trying to challenge it. However, the relationship between inclusion/exclusion and stability is determined not only by *who* is included but also by *how* they are included. Importantly, the cases warn that formal institutional arrangements designed to promote inclusion (such as democracy or forms of power-sharing) can result in very different patterns of inclusion and exclusion.⁵⁹
113. As shown above, the cases reveal that bargaining processes are more commonly founded upon a sharing of spoils through what are effectively ‘pay-off deals’ or ‘provision pacts’. Deals that set out to promote political inclusion through political power-sharing and a shared political agenda, such as political ideology or a shared post-conflict national development agenda are less common. This appears to reflect the fact that ‘pay-off deals’ may be more palatable to states and may offer an easier mechanism through which to provide warring elites with tangible immediate benefits than attempts to address long-standing tensions over political ideologies, formal power-sharing and visions of development.

⁵⁹ Putzel, J. & Di John, J. (2012). Meeting the Challenges of Crisis States, Crisis States Research Centre Report. London: LSE, p.iv.



114. However, the cases reveal the trade-offs that often exist between securing stability in the short-term and addressing longer-term drivers of violent conflict. They show that there is no guarantee that such 'pay-off deals' will develop into more comprehensive negotiations, but instead often leave underlying political grievances unaddressed. The failure to address such grievances can create in-built weaknesses in the foundations upon which stability is built and exacerbate the risk of war recurring. This is a finding corroborated in other studies on civil war recurrence.⁶⁰
115. In some cases, such as Iraq, Nepal, Bosnia and Northern Ireland, where negotiations have been founded upon mechanisms of formalised political power sharing, this has often been through forms of consociational politics, in which efforts to include a wider array of political actors have been mediated through a system which guarantees parties a certain degree of power and influence. This serves to alleviate the unpredictability created by entering into democratic politics and political power-sharing. Although these arrangements have provided a mechanism through which to initiate political power-sharing, and have insulated transitions to more open political systems from the risks of instability, this mode of inclusion has also served to institutionalise, politicise and entrench social divisions and political identities rather than overcome them. This has kept alive, and in some cases reinvigorated conflict fault-lines, rather than provide the foundations for a more developmental post-conflict transformation.
116. Forms of exclusion are often central to the dynamics of conflict in borderland areas. Although there is often an assumption that such exclusion is driven by the marginalisation of border areas from centres of power, the cases reveal that borderland grievances – and the violent responses they inspire – are often driven as much by state encroachment as by state absence. Attempts to establish stronger state authority in borderland areas are not simply about extending state bureaucracies and service delivery but also entail dismantling pre-existing non-state structures of authority, and creating new client groups and new systems of exploitation and extraction. In Sri Lanka, for example, efforts by the state to extend control and to 'integrate' Tamil areas in the north and east of the country have involved the movement of Sinhalese populations into these regions and the re-allocation of land to these groups that are loyal to the state. Where efforts to integrate borderland areas are founded primarily upon 'provision pacts' and the co-optation of borderland elites (for example through resource concessions, political positions at the centre), the resulting horizontal inclusion generates heightened vertical exclusion, as borderland elites become more detached from their constituencies. For example the political demands of Madhesi politicians in Nepal for devolution and development in the Terai were, over time, blunted by their co-optation into Kathmandu-centred clientelist politics.

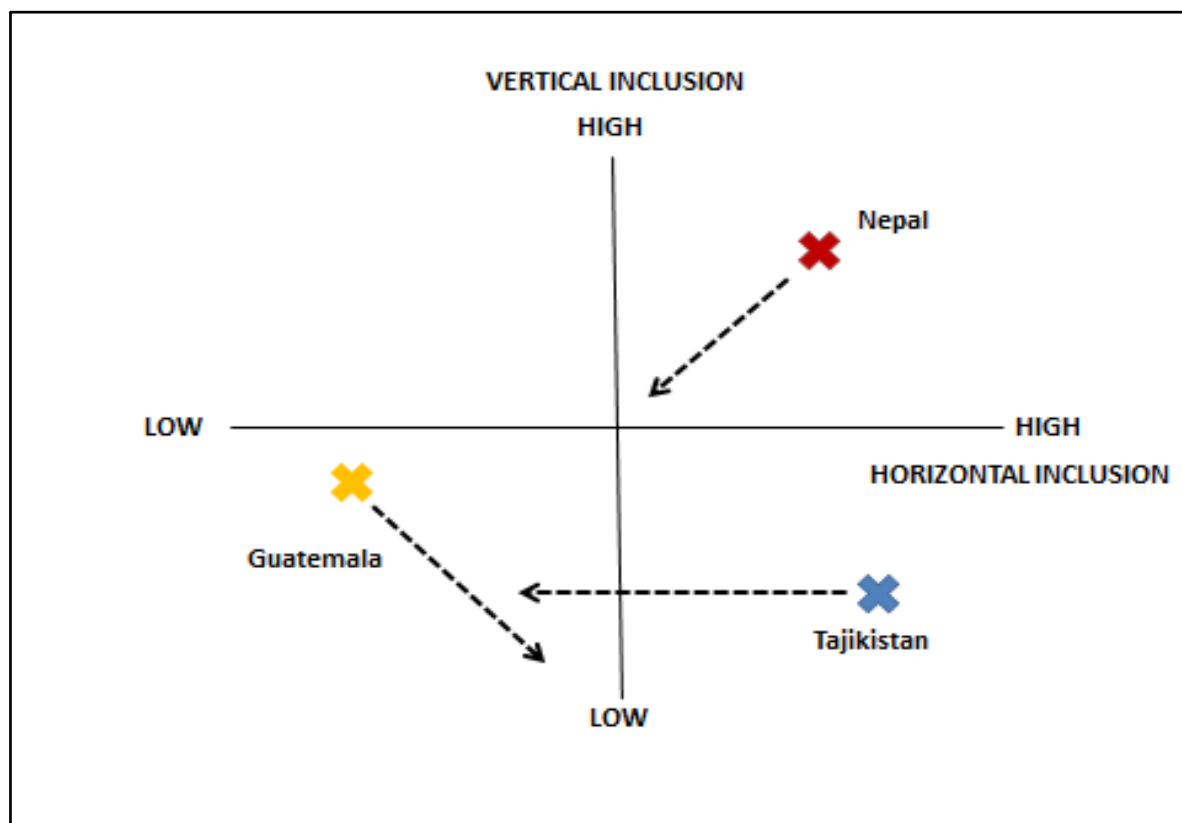
Shifting trajectories of inclusion and exclusion

117. As the cases clearly show, the politics of inclusion and exclusion are not static but shift over time, representing ongoing wars of manoeuvre around who is included and excluded. These shifts may be usefully mapped using the matrix presented below. It captures changing levels of horizontal inclusion between elites, and vertical inclusion between elites and the wider population.

⁶⁰ Call, C. (2012). *Why Peace Fails: The Causes and Prevention of Civil War Recurrence*. Washington, D.C.: Georgetown University Press. Call's study assesses why peace fails and is based on quantitative analysis of 97 civil wars that occurred between 1946 and 2007, and qualitative analysis of 15 case studies within this dataset. His research concludes that political exclusion, rather than economic or social factors, is the most significant factor in determining the likelihood of civil war recurrence. Exclusionary behaviour by governments that reneges on rebel expectations is most likely to lead to the recurrence of war. Call concludes that "[p]olitical exclusion acts as a trigger for renewed armed conflict. Conversely, political inclusion, including but not limited to power-sharing agreements, is highly correlated with consolidation of peace".



Figure 3: Mapping horizontal and vertical inclusion



118. This matrix reveals the different trajectories of post-war inclusion and exclusion across the cases. For example, in Tajikistan, elite bargains have become more exclusionary, marginalising certain elites and concentrating power in a process that has, unsurprisingly, failed to promote greater vertical inclusion. In Nepal, elite push back amidst the peace process has blunted the scope for the initial peace accords to deliver the promises of greater vertical inclusion outlined in the 2006 Comprehensive Peace Accord. In Guatemala, the peace process was linked to greater horizontal inclusion of elites – as the state’s support base broadened from its narrow base of military and plantation elites to include new economic elites (including criminal organisations) – although their inclusion has resulted in emerging political and economic structures (e.g., around land ownership, legal impunity) that have worsened the exclusion of marginalised groups.⁶¹ There are also cases, like Northern Ireland, defined more by their relative stasis in which forms of horizontal and vertical inclusion established during initial negotiations have endured and provided a foundation for stability but have shown little movement towards more substantial inclusion and integration of divided societies.

Conclusion

119. Challenging much of the ‘win-win’ rhetoric in current policy analysis, our analysis warns of the tensions and trade-offs that commonly exist between elite inclusion and broader social inclusion, and between patterns of inclusion that underpin stability and those required to support more socially inclusive post-war development. The findings from the cases, presented

⁶¹ This appears to be reflected in the way that the poor have become poorer in the years after the end of the conflict. In 2012 the poorest 40% of Guatemala’s population lived on \$1.50 per day, down from \$1.60 a decade earlier. World Bank. (2014). *Guatemala’s economic DNA: harnessing growth with a special focus on jobs*. Washington, D.C.: World Bank.



in this section, demonstrate how the trade-offs that exist between inclusion, stability and developmental peace reveal the need for a more nuanced understanding of what is meant by inclusion and exclusion, and the huge challenges of supporting political settlements that are both stable and socially inclusive.

3.3 Elite bargains and trajectories of post-war transition

Varying trajectories: Return to violence, elite capture and developmental peace

120. There is often the assumption that once a degree of stability has been created, space will open for more concerted peace negotiations which will offer a 'window of opportunity' to promote more ambitious goals – of democratisation, good governance reform, social inclusion and poverty alleviation – in order to create the foundations for a more developmental peace. However, the findings of this study warn against this perceived linearity of an elite bargain followed by a formal peace process culminating in a developmental political settlement. The cases reveal divergent outcomes of elite bargaining along three broad trajectories:

1. **Return to violence:** Where elite bargains do not hold and there is a return to large-scale 'competitive violence'. The cases reveal a number of reasons – often interlinked – why there may be a return to violence:
 - (i) **The underlying distribution of power is highly volatile and in flux. This makes it very difficult to secure any kind of stable elite bargain** (e.g., Vietnam, Afghanistan, South Sudan, Libya).
 - (ii) **Exclusion destabilises elite bargains.** This includes cases where negotiations exclude powerful elites (horizontal exclusion) who resort to violence as a means to challenge their exclusion (e.g. Afghanistan, Mali), and also cases where elite bargains fail to incorporate sufficient 'vertical inclusion' of elites' constituents, making it impossible for elites to 'sell' such deals to their followers (e.g., Sudan).
 - (iii) **Failed negotiations delegitimise those advocating a deal and empower hardliners within warring parties.** This can strengthen calls for more militant approaches (e.g., Vietnam, DRC).
 - (iv) **Negotiations are used instrumentally.** Certain warring parties use negotiations as an opportunity to strengthen their position in order to subsequently escalate violence in an attempt to secure total victory, or to strengthen their position prior to further rounds of negotiations (e.g., Sri Lanka).
2. **Elite capture:** Where elite bargains hold and secure a reduction in large-scale 'competitive violence', but elites control the trajectory of transition, providing little scope for sustained developmental change. A subsequent peace agreement may be non-existent, superficial or not implemented. Elite capture is a very common phenomenon across the cases, although it varies along five dimensions:
 - (i) **Extent to which the stability of an elite bargain is dependent on elite capture:** In some cases (e.g., Guatemala), the feasibility of elite bargains is directly dependent upon the fact that elites are able to capture the benefits of stability. Elites enter into negotiations with the explicit belief that stability will provide a stronger foundation for their interests than war. This creates elite support for a transition from a 'war cycle' to a 'peace cycle'. In other cases, elites' ability to capture the benefits of the



peace appears to have been less a pre-condition of a deal and more a result of elites' subsequent ability to use an elite bargain to secure their interests (e.g. Tajikistan).

- (ii) **Levels of violence:** In some contexts, significant levels of violence have been embedded within elite bargains and have provided an important mechanism through which elites are able to secure the benefits of 'peace' (such as Guatemala, Mali). In such cases, elite bargains have stabilised large-scale armed conflict but have still exposed populations to significant levels of violence. In other cases, elites have proved able to secure their interests without recourse to violence, creating less violent forms of elite capture (e.g., Aceh).
- (iii) **Levels of economic development:** Elite capture can result in varying levels of economic development. In some cases the 'pay-off deals' upon which processes of elite bargaining are based have resulted in pervasive economic mismanagement and corruption, stunting levels of economic growth. However, in other cases, forms of elite capture have had a more ambiguous impact on economic development, for example incorporating illegal trade into national economies in ways that have stimulated economic growth (e.g., Tajikistan).
- (iv) **Distributional outcomes:** Elite capture is founded on the ability of elites to retain control over political processes and the distribution of resources (e.g. business opportunities, the state budget, legal protection to expropriate resources). This can result in highly exclusionary post-war political settlements in which wealth and opportunities are concentrated in a narrow elite coalition. In other cases, the relationships between elites and their constituencies (which can be very large, such as groups of religious followers, inhabitants of large territories), and the need for elites to retain legitimacy amongst these constituencies can result in more distributional outcomes (often through patron-client relationships⁶²), even though the mechanisms of power and distribution remain concentrated in the hands of elites. This emphasises the need to differentiate between processes and outcomes of elite capture and to acknowledge that even when elites capture political and economic processes, there can still be significant variation in levels of social exclusion.
- (v) **Institutional settings:** the autonomy of elites and hence the degree of elite capture varies according to the institutional setting. In fragile LAOs, where institutions are weak and easy to circumvent, total and predatory elite capture is more likely and indeed predictable (e.g. Afghanistan, South Sudan). On the other hand, in mature LAOs where there are more durable institutions and a clear system of public and private law, elites must act with greater restraint. There may be stronger incentives to deliver services to broader constituencies beyond narrow patron client lines. In such cases, elite capture is partial and kept in balance through the restraining influence of institutional and societal pressures (e.g. Aceh). This scenario may merge into a third more developmental pathway mapped out below.

3. **Developmental peace:** Where an elite bargain holds and facilitates a move towards a more stable and inclusive political settlement, leading to longer-term developmental outcomes.

⁶² Cheng, Christine and Dominik Zaum (2011). Selling the Peace?, in C. Cheng and D. Zaum (eds.), *Corruption and Post-Conflict Peacebuilding*. Abingdon, Routledge (pp.1-25).



121. None of the cases offer a clear example of immediate post-conflict transitions to a developmental peace, warning against unrealistic expectations of transformational change to occur within short timeframes.
122. What the cases do show is that the stronger the continuities between wartime and post-war power structures, the greater the likelihood there is of elite capture. Where the post-war transition embodies a more radical moment of rupture in which there is a significant departure from pre-war and war-time structures, the scope for a more developmental peace is greater. However, such transformational changes also run far greater risk of misalignment between the formal peace and the underlying political settlement, heightening the risk of instability and a return to large-scale violent conflict, such as in South Sudan.
123. Shifts towards a more stable developmental peace in the initial post-conflict period may thus be less about initiating large-scale transformational outcomes – due to the risks this entails of creating a destabilising disjuncture between the formal peace and the underlying political settlement. Rather they may be grounded more in instigating a series of evolving bargains that begin to shift the parameters of negotiations and work towards establishing the ‘doorstep conditions’ that may make more equitable and inclusive development possible.
124. These doorstep conditions may revolve around extending the issues up for negotiation, the scope for what can be demanded, and expanding those whose interests are taken into consideration, while at the same time ensuring that the failure of negotiations does not entail the risk of renewed violence. Only a few of the cases demonstrate a gradual evolution from ‘moderate’ elite capture to a developmental pathway. More of the cases show, less a process of ‘transition’ than a steady state of ‘unsettlement’ in which there are exclusionary politics, a constant renegotiation of elite bargains and a perpetual deferral of institutional reforms that might lead to a more inclusive political settlement, all at the cost of limiting elites’ room for manoeuvre. Nothing is negotiated ‘once and for all’; the political settlement can be understood as a holding device – it is an agreement to disagree, to place constraints on violence and to maintain a foothold in ‘the game’ without credibly committing to an agreed new rules of the game. For instance in Nepal, political elites have engaged in protracted bargaining around, and perpetual deferral of, state reforms and transitional justice – because maintaining a state of unsettlement is preferable to either finding a solution that involves major compromises or a return to war.
125. Many of the cases demonstrate processes of elite bargaining that straddle the line between forms of elite capture and scope for more sustained progressive change (for example, Nepal, Malaysia, Northern Ireland and Sierra Leone). In these cases, evolving bargaining processes appear to have facilitated a shift from straightforward ‘elite capture’ to the ‘capture of elites’. Although the interests of elites continue to dominate the political landscape, elites in these countries have become increasingly constrained and enmeshed within structures where power and legitimacy require wider societal support. This support is more robust when elites deliver economic growth, services and representation, rather than concentrating on their own enrichment or the exclusive pursuit of the interests of their constituents, and the resort to violence as a means of political contestation becomes less legitimate or feasible.⁶³

⁶³ Bell C & J Popisil (2017) ‘Navigating Inclusion in Transitions from Conflict: The Formalized Political Unsettlement’, *Journal of International Development*, 29, 576-593.



126. The cases cover very different post-conflict scenarios in terms of the strength and capacity of the state, the strength of formal institutions and democratic practice, and the diversification of national economies, all of which shape the potential and pathways for these kinds of doorstep conditions to emerge. This re-emphasises the importance – outlined in Section 2 – of engaging with the structures and institutional frameworks within which processes of elite bargaining take place.
127. Many of the cases also demonstrate multiple trajectories operating alongside each other in different areas of the same country. In a number of cases elite bargains have stabilised a political settlement at the national level but this has co-existed, or has even been dependent upon high levels of instability and violence in other regions of the country. This reveals the importance of moving beyond a focus on national-level bargaining processes in order to develop better understanding of how national, subnational and regional conflict dynamics and bargaining processes interact. It also demonstrates the difficulties, highlighted in other recent reports⁶⁴, of how to engage with violent conflict in relatively ‘strong’ or resilient states where violence does not directly destabilise national politics. Addressing such violence may still be a high priority for international policymakers, either on humanitarian grounds or due to the spill-over effects of such violence (refugees, transnational crime) onto neighbouring countries, and reveals the need to understand how and why the trajectories of processes of elite bargaining vary considerably within a single country.

3.4 Conclusion

128. Drawing on case study material, this chapter has examined how the dynamics of elite bargaining shape the prospects for reduced levels of violent conflict and sustainable post-war transitions. This analysis reveals a number of key findings. First, it has demonstrated that patterns of elite authority and behaviour are shaped by the interplay of structures (such as social structures, resource endowments, patterns of development and global and regional contexts in which elites are operating), institutional frameworks (such as how the effectiveness of formal state institutions, the extent to which power is formalised in these institutions or operates through informal and personal institutions) and forms of elite agency (such as leadership, beliefs and ideology). It has shown how shifts in the interaction between these dynamics can open up or foreclose space for elite bargaining to reduce levels of violent conflict. The growing focus on the importance of elite dynamics has sometimes encouraged simplistic ‘rational actor’ frameworks for analysing elite behaviour and the belief that elite calculations can be easily manipulated, for example by providing economic incentives for peace. This report warns against such approaches, emphasising the need for rigorous political economy analysis of the wider structural and institutional factors that shape and constrain elite behaviour, whilst also recognising that elites have agency and can influence events and structures, particularly during moments of rupture.
129. Second, this chapter emphasises that in order to understand the impact of elite bargaining on conflict and peacebuilding, it is important to disaggregate forms of violence, engage with material interests and rent-sharing arrangements, and develop more nuanced understandings of patterns of inclusion and exclusion. Third, it warns against the idea of a linear war-to-peace transition and demonstrates that expectations of transformational change – from elite bargains to a formal peace process to a more inclusive political settlement – in short-frames are unrealistic. It warns that where elite bargains are misaligned with the underlying configuration

⁶⁴ Denney, L. & Barron, P. (2015). Beyond the toolkit: Supporting peace processes in Asia. Working politically in practice series, Case study no. 4. San Francisco: The Asia Foundation.



Stabilisation Unit

of power (for example when powerful elites are excluded), the risk of a return to violence is high. Even where elite bargains do hold, transitions are often underpinned by forms of elite capture of the benefits of peace. This reveals the complex and difficult tensions and trade-offs that exist between stabilising violent conflict and establishing the foundations for a more developmental post-conflict transition, and warns against the assumption of 'win-win' solutions in which all good things come together.



Chapter 4: The impact of external interventions on processes of elite bargaining

4.1 Introduction

130. In this chapter, we analyse the diverse types of interventions from across the cases in order to assess the impact that external actors have had on the processes and outcomes of elite bargaining. This chapter therefore addresses the project's third core research question: *How have external interventions impacted upon the instigation, durability and longer-term consequences of elite bargaining?* In addressing this overarching question, the analysis presented here is also guided by two sub-questions:

- 1) In countries experiencing large-scale armed violence, how have external interventions affected the degree of (mis)alignment between elite bargaining, formal peace agreements (where these occurred) and underlying political settlements?
- 2) To what extent did external interventions contribute to (a) changes (reduction or escalation) in levels of large-scale armed violence? (b) a more stable and inclusive political settlement?

131. The cases encompass a wide range of diplomatic, military, economic, and legal interventions operating across different geopolitical contexts, from the post-colonial and Cold War era, to the post-Cold War world and various post 9/11 conflicts. The cases also demonstrate significant variation in the magnitude and ambitions of interventions, ranging from wholesale regime change to limited forms of mediation and economic support for conflict resolution. They also cover interventions by a wide variety of external actors including: international organisations such as the UN, World Bank and NATO; regional and sub-regional actors, such as the Arab League, South Africa Development Committee (SADC), the Intergovernmental Authority on Development (IGAD) and neighbouring countries.

132. This chapter is divided into three further sections. First, it briefly reiterates the paper's analytical framework and explains how this will be applied in assessing the impact of external interventions on processes of elite bargaining. Second, it examines how different spheres of engagement (military, economic, political, legal/justice) have interacted with and shaped the dynamics of elite bargaining. These forms of engagement invariably operate alongside each other as part of multi-faceted interventions underpinned by a belief that these different strands are mutually reinforcing. Separating them out in our analysis is designed to reveal the logic that underpins different forms of intervention and to demonstrate the contradictions that are hidden between them and how they may work at cross-purposes. Third, this chapter explores how interventions impact upon the dynamics of elite bargaining (outlined in Chapter 3) and lead to three different pathways out of, or back into, large-scale armed violence.

133. Two points of clarification are required at the outset of this chapter: first, the notion of 'external' actors is a term used to denote those who position themselves as intervening from the outside in order to shift the incentives of those fighting. However, this term – which we use for simplicity – is not intended to disguise how such 'external' actors are embedded in the dynamics and power relations underpinning armed conflicts. Second, while the focus in this section is primarily on external actors' efforts to stabilise violent conflict, some of the most important and influential external influences on conflict dynamics are not linked explicitly to this goal. These include international policies on structural adjustment, trade agreements and



migration, among many others. These issues are referenced briefly, but a discussion of their impact lies beyond the scope of this study.

4.2 Framing external interventions

134. The hypothesis underlying this report is that the interactions and (mis)alignments between political settlements, processes of elite bargaining and formal peace agreements are a critical factor in explaining whether and how wars are terminated and differing trajectories of post-war transition. As a starting point, this report warns against the assumption that formal, internationally-backed peace processes can necessarily stabilise large-scale armed violence and create the foundations for more inclusive and developmental pathways out of violent conflict. This assumption typically underemphasises the role of wider structural dynamics on the impact of interventions. Consequently, dominant analytical approaches treat conflict resolution efforts in isolation. Assessment is concentrated on the style, content and timing of interventions, leading to a focus on lesson learning exercises on how to design more effective ways of engaging in the future.
135. In contrast, we emphasise the need to engage with how interventions shape and are shaped by the underlying configurations of power in order to understand why similar types of interventions can have very different impacts and legacies across cases. Rather than abstracting or internalising lessons from specific interventions (e.g. focusing solely on whether the timing or content of a deal was right) the point is to develop a *relational* approach that focuses on assessing the relationship between interventions and the wider power dynamics they interact with.
136. Although policymakers have embraced political settlements analysis and have developed a greater focus on the pivotal role of elite power relations in shaping trajectories of violent conflict, there is a tendency to confine such conflict analysis to its internal dimensions. This has encouraged “the idea that political settlements are a ‘thing’ to be engaged with by external actors, [which] positions the external actor as outside the frame of analysis – a sort of *deus ex machina* that periodically leans in to tamper”.⁶⁵ Perceiving intervening actors as external to the conflicts they are engaging with has meant that the focus of such interventions is typically on whether they can support formal negotiations and peace agreements between the warring parties. In contrast, we do not view interventions as an ‘external’ medicine to ‘internal’ problems. Rather, international actors and global power structures are instrumental to shaping the underlying distribution of power in conflict-affected countries and the structural and institutional context in which elites operate. The interests and actions of ‘external’ interveners are thus integral to the relationship between political settlements, elite bargaining and formal peace agreements.
137. Our approach also emphasises the need to place at the centre of analysis the linkages between the political settlements of intervening powers and those of the countries in which they are intervening. We challenge the tendency to overlook how international interventions are rarely determined only, or even primarily by, assessments of the context with which they engage. Instead, we show how they are also shaped by domestic electoral considerations and the ways in which foreign interventions can be central to processes of elite bargaining within intervening countries. As Christine Bell notes, “the observation that ‘development is politics’, does not just point to the need for development actors to understand local political actors better, it points to

⁶⁵ Parks, T. & Cole, W. (2010). ‘Political Settlements: Implications for International Development Policy and Practice’. *Occasional Paper No. 2*. The Asia Foundation.



the fact that development actors will need to understand their own decisions as political and try to reconcile them with their normative commitments.”⁶⁶

138. This approach informs our analysis of external interventions in the remainder of the chapter in three ways. First, our analysis shows how elite decision-making is shaped by external influences, including flows of resources, ideas, and various political and economic pressures. Drawing upon the analysis presented in Section 3, we assess the role that international actors play in influencing the nature of rent-sharing arrangements, the dynamics of inclusion/exclusion, and the forms of violence surrounding elite bargaining. Second, we ‘turn the mirror inwards’ to explore the processes of elite bargaining that also take place within and between intervening actors. States, regional organisations, and international organisations are not monolithic but contain contradictory and at times competing interests that can also play a determining role in influencing the outcomes of an intervention. This emphasises the need for an explicit focus on the institutional interests, conflicts, and trade-offs that exist within and between external actors as they pursue multiple objectives when engaging in conflict areas. Third, we draw attention to how an intervener’s ability to influence the underlying political settlement is shaped by its evolving relationship with the conflict-affected country. This relationship changes over time due to structural shifts (such as post-colonialism, the transition to a post-Cold War world and emergence of the Global War on Terror).

4.3 The impacts of external interventions

4.3.1 Diplomatic and political interventions

Introduction

139. Since the end of the Cold War, there has been a shift from more ‘traditional’ diplomatic approaches to increasingly complex and multi-dimensional interventions aimed at supporting more transformational forms of political change. This section explores the diversity of diplomatic and political interventions across the cases at three distinct stages of peace-making: (i) **Bringing peace** via peace processes and war termination; (ii) **Crafting peace** through peace agreements; and (iii) **Consolidating peace** by implementing and upholding a peace agreement. The overarching aim of political and diplomatic interventions has been to de-escalate violent armed conflict through dialogue and negotiation between warring parties.

140. In this section we explore how political and diplomatic interventions impact upon elite behaviour and bargaining processes in highly volatile, conflict-affected contexts. Specifically, we examine the extent to which interventions have (de)stabilised fragile political settlements by facilitating or undermining transitions to non-violent mechanisms for addressing social conflict. We also assess the extent to which peace agreements have created greater political space for more developmental outcomes, or, conversely, whether interventions have exacerbated the misalignment between formal peace agreements and underlying configurations of power, destabilising political settlements.

141. The cases demonstrate a wide range of diplomatic and political approaches involving a diversity of external actors. These include deliberate actions taken by external actors to encourage warring factions to negotiate. From the cases, these mechanisms have included: third-party mediation, as with American diplomacy in Bosnia; local mediation, as with the Sangin Accord in Afghanistan and the ‘Rencontres Communautaires in Mali; initiating dialogue, as with the

⁶⁶ Bell, C. (2016). “What we talk about when we talk about political settlements: Towards Inclusive and Open Political Settlements in an Era of Disillusionment”, *Political Settlements Research Programme Working Paper 1*, p.16.



International Contact Group in the Philippines' Bangsamoro Process; assisting with capacity building for mediation, as when Sant' Egidio worked with RENAMO in Mozambique; shuttle diplomacy, as deployed by George Mitchell in Northern Ireland when the two parties refused to speak to each other; changing international rhetoric to make it easier for governments to begin negotiating, as with labelling Colombia's FARC as terrorists; blocking particular actors or organisations from the table, as with Afghanistan's Bonn Agreement; and acting as guarantors to peace processes, as when India served as guarantor in the Nepal peace process. It has also been the case that warring parties have strategically sought to manipulate an intervener in order to gain an advantage at the negotiating table, as with GAM in Aceh and the LTTE in Sri Lanka.

Bringing peace: Peace processes and war termination

142. In active armed conflicts, the logic of diplomatic and political interventions is to help overcome deficits of trust between warring parties and provide the expertise needed to support negotiations that will lead to political settlement that ends competitive violence. The cases show that interveners' approaches to facilitating negotiations vary considerably. In some cases powerful states have used their leverage over warring elites to press for peace talks (for example US pressure in Guatemala and France's role in Mali). In other cases, such as Norway's mediation in Sri Lanka, more 'disinterested' interveners have played a facilitation or 'weak' mediation role in order to create a safe space for negotiations.
143. The cases reveal both the importance of interventions in overcoming local deficits in commitment, coordination, and cooperation in order to support the mobilisation of peace processes, and the risks that such interventions play in undermining domestic elite bargaining processes and creating misalignment between formal peace agreements, elite bargains and the underlying political settlement.
144. External actors may act as guarantors of the peace process, helping to build trust between opposing sides and confidence in the process. Where opposing parties are stuck in a security dilemma (such that neither side is willing to disarm for fear the other side will take advantage of a weakening in defences in order to deliver a military defeat), external actors can lower the cost of participating in the process by serving as guarantors. These can be understood as international 'protection pacts', enabling groups to participate in peace talks, but without risking military defeat in the event that talks break down or the peace agreement is not implemented. For example, in Nepal, India served as a guarantor to the peace process. In Guatemala, six 'friendly country' guarantors were assigned: Colombia, Mexico, Norway, Spain, Venezuela and the US. External actors also have a vital role to play as 'trust proxies'. When warring parties cannot trust the opposition enough to even hold talks, friendly or 'neutral' parties can act as a bridge to the other side, particularly at the start of a peace process.
145. However, the cases also demonstrate that external mediation is associated with specific risks and challenges; it can introduce further sets of interests, undermine the logic that underpins limited access orders, deepen divisions amongst and within external actors, and they are often instrumentalised by elites.
146. First, the most common mediation strategy is to initiate and support top-down peace processes, where national negotiations are conducted only by the leaders of the warring parties. This imperative to get elites round the negotiating table is based on the assumption that the horizontal inclusion of elites is necessary to stabilise violent conflict. However, insufficient attention is paid to the potential trade-offs between horizontal and vertical exclusion. In Bosnia,



American power mediation helped bring an end to the conflict with the signing of the Dayton Accords, but this top down approach short-circuited elite bargaining processes, leading to a political settlement that further entrenched ethnic cleavages.

147. External efforts to instigate peace talks are often presented as having little to lose in light of the alternative of continued armed violence. However, many of the cases demonstrate that diplomatic interventions are not politically costless and can destabilise conflicts further. Failed attempts by external actors to reach a political compromise when both sides are not ready to negotiate in good faith can scupper opportunities for future negotiations. Decisions over whether or not to engage in such talks can often be highly divisive within organisations with leaders taking significant reputational risks by getting involved. Failed talks can side-line more moderate voices and delegitimise future peace talks. Whereas some have argued that North Vietnam's decision to use military means to seize control of the south after the failed Paris Peace Accords was pre-determined before the talks, this course of action was not inevitable, but appears to have also been linked to the failure of the peace talks, which side-lined 'doves' in the northern leadership and enabled 'hawkish' voices to come to the fore. Another perverse effect of 'over-internationalisation' is that domestic players may end up spending more time trying to capture the attention and resources of international actors rather than negotiating with each other. This was one of the criticisms of the Norwegian-brokered peace process in Sri Lanka, which largely avoided tackling core differences between the key protagonists in relation to state reform and secession.
148. Second, the cases reveal that in some contexts, particularly Africa, there has been a shift towards more regional and subregional actors like the African Union and the South African Development Community (SADC) taking a lead role in conflict resolution and military intervention. A number of cases suggest that efforts to deploy diplomatic pressure on several fronts to create a regional 'enabling environment' for mediation may be more effective than using coercive power. In the case of the M23 in the DRC, SADC's use of diplomatic pressure on Rwanda resulted in the end of Kagame's support to the M23 rebels. Regional organisations and regional hegemons may be incentivised to bring stability to their conflict-affected neighbour, because they do not want the conflict to spill over into their own countries. They certainly have longer term 'attention spans' than western actors, and may also be more trusted, especially in regions where legacies of colonial rule and imperialism create antagonism and distrust towards global powers. In some cases regional actors have used their long-standing ties with warring parties to exert pressure on them to enter into peace negotiations. In Colombia, for example, both Venezuela and Cuba played an important role in acting as initial interlocutors between the FARC and the Colombian government.
149. Yet regional hegemons and regional organisations often have long and complicated relationships with governments and opposition leaders in the region. These can solidify trust in some cases and undermine it in others. While regional actors may be better placed to understand local politics because of similarities in culture, traditions, and customs, this frequently means that they are more likely to become entangled in local politics. As discussed below, Ethiopia was willing to overthrow the Islamic Courts Union and destabilise Somalia, in part because of its longstanding relationship to Colonel Abdullah Yusuf, the head of the Transitional National Government at the time.⁶⁷ Interventions through regional organisations — militarily or politically — can become a vehicle for regional hegemons to pursue their own

⁶⁷ For an extended discussion of the Islamic Courts Union, see Barnes, C. and Hassan, H. (2007). "The Rise and Fall of Mogadishu's Islamic Courts", *Journal of Eastern African Studies*, 1:2, 151-160.



foreign policy goals. Hence, while high profile international interventions may appear initially to generate significant leverage, this often has a limited shelf life. In contrast, neighbouring countries or regional powers (such as India in Sri Lanka, Ethiopia and Kenya in Somalia) may not have the resources to initiate major political interventions to engineer peace but, for better or for worse, have sustained interest in the outcomes of transitions and greater staying power.

150. Third, the cases show that external diplomatic interventions can inject further sets of interests that complicate elite bargaining processes and make it more difficult to reach a stable political settlement. This occurred with US political intervention in Somalia in 2006, after a coalition known as the Islamic Courts Union (ICU), backed by Eritrea and local business owners, successfully removed the Transitional Federal Government and took control over most of the country, including Mogadishu. Arguably, at the time, the ICU offered the best chance for political stability, but American interests in Somalia vetoed that possibility because the ICU was perceived to have links to al Qaeda. This overrode other priorities — including the need to end two decades of violence in Somalia, and ruled out political configurations that might have been stabilising. Subsequently, Ethiopia invaded and toppled the ICU, with the support of the US. A further example can be seen in various peace efforts in Mali that brought separatists and pro-government militias to the table, but excluded groups antithetical to western interests because of their real or perceived links to terrorist groups.
151. Decisions by interveners to engage are also inevitably shaped by domestic political considerations, which may exist in tension with, or work at cross-purposes to local bargaining dynamics. Domestic political settlements *within* intervening powers have had a major influence on interventions within conflict-affected countries. US decision-making around Vietnam and Afghanistan has been intimately shaped by domestic electoral considerations, leading to decisions to escalate the conflict or hold hasty elections. Similarly, the Indian government's flawed intervention in Sri Lanka in 1987 was to a great extent impelled by the need to maintain its support in Tamil Nadu or face electoral defeat.
152. Fourth, a striking commonality across the cases, is local elite instrumentalisation of external actors. As already noted, external actors are not neutral referees but active players in the political marketplace. Domestic elites view external players as potential force multipliers – providing coercive power, resources, and legitimacy – to be used to tilt the balance of power in their favour. Injections of external resources run the risk of increasing the volatility of elite bargaining and rent-sharing agreements as has been the case in Somalia (which has received vast amounts of international aid and where elites compete for access to it) in contrast to a relatively stable Somaliland (which receives hardly any international aid). The scope for elite instrumentalisation is particularly high in contexts where there are multiple external actors with different sets of interests and priorities. For example in Afghanistan after 2001, Hamid Karzai's government would play off against each other international military forces, diplomats, donors from within and between different states. In Sri Lanka, the government drew on funding and support from India and China in order to stave off western international pressure during the final phase of the war.
153. Unsurprisingly therefore, the cases show domestic elites have agency and cannot easily be bent to the will of external actors. When such instrumentalisation is recognised there tends to be a denial of responsibility on the part of international actors. In Sri Lanka, Norway responded to the failed peace process by laying the blame with the LTTE and the government, along with insufficient support for the peace process from other international actors. This tendency could also be observed in Afghanistan and Iraq. In these cases, ever-greater military, diplomatic, and



economic resources were deployed, rather than recognising that international intervention was in part perpetuating the very conflict it sought to end.

Negotiating the peace - Peace agreements

154. Peace negotiations and the signing of a peace agreement are often viewed as the pivotal moment in war to peace transitions. Interveners have thus sought to play a key role in influencing negotiations and in shaping the content of the final peace agreement. This approach is often founded on a problematic assumption that the post-war moment offers a 'window of opportunity' to push for radical change based on the belief that there will be limited elite resistance to reforms. Interveners have thus sought to use peace agreements as a mechanism through which to shift elite incentives by encouraging or pressurising them to agree to ambitious goals of democratisation, good governance reform, social inclusion and poverty alleviation.
155. Peace agreements have come to be seen as the launching pad for ambitious transformational post-conflict change. First, the political framework of liberal democracy has gradually permeated almost all of the post-Cold War peace agreements. Out of the 33 post-Cold War peace agreements that are logged in the University of Notre Dame's Peace Accord Matrix, 27 of these include the words 'election' and 'democracy'.⁶⁸ Second, since the end of the Cold War the core pillars of modern peace agreements have expanded far beyond issues of security and territory. Whereas peace agreements signed before 1989 used to resemble 'security pacts' — focused on de-escalating violence (e.g. the Paris Accords in Vietnam) — contemporary peace agreements are more likely to constitute ambitious and transformative 'grand bargains'. For example, the Guatemalan and Colombian peace accords both demonstrated ambitions to re-engineer the political settlement in ways that would address the root causes of their respective conflicts (e.g., land tenure, democratisation of the state). This trend can be linked to a structural shift at the end of the Cold War, with the apparent triumph of liberalism, the reworking of sovereignty and the decline of the super power veto, all creating a permissive space for greater international activism. This manifests itself in the well-documented rise of UN peacekeeping and peacebuilding operations and an apparently related trend that has seen more conflicts come to an end through negotiated settlements.
156. In some cases, interveners have used their leverage to pressurise elites into embracing far-reaching reforms. In Bosnia and Herzegovina, the possibility of EU membership played a role in reshaping the country's formal institutions, though elites consistently tried to undermine the substance of these reforms. In this case, the risk of a return to violence was somewhat mitigated by the fact that elites could continue to find workarounds that did not fundamentally alter the underlying settlement,⁶⁹ and also because majorities within each of the Bosniak, Serb, and Croat communities recognised they shared a common interest in preserving a flawed but stable settlement.
157. However, many of the cases show that external political or diplomatic interventions can lead to a fundamental misalignment between peace agreements, elite bargains and the underlying distribution of power. First, where heavy international pressure is brought to bear on elites to reach agreements, this can result in peace accords that do not reflect existing power dynamics,

⁶⁸ Peace Accords Matrix (Date of retrieval: (11/05/2017): <https://peaceaccords.nd.edu/accord/accord-firm-and-lasting-peace>, Kroc Institute for International Peace Studies, University of Notre Dame.

⁶⁹ Divja, Boris and Michael Pugh. "The Political Economy of Corruption in Bosnia and Herzegovina", *International Peacekeeping*, 15 (3) 373-386.



leading to agreements that are impossible to implement in practice. The 2006 Darfur Peace Agreement (DPA) signed by the Government of Sudan and one faction of the SPLA was, on paper, a comprehensive deal containing provisions for wealth-sharing, power-sharing, political reform, victim compensation, security and reconciliation. However, this deal quickly broke down and was followed by further sustained outbreaks of violence. The failure of the DPA was partly a consequence of the deep historical, political and economic causes that proved difficult to resolve, and the deep-seated animosity between the warring parties. However, failure was also a consequence of the dynamics around the peace process. Mediators were constrained by the tight deadline imposed by the UN Security Council and increasingly became “arbitrators rather than facilitators”.⁷⁰ Getting to a deal became a superficial process as negotiators “lost sight of the distinction between getting the parties to sign an agreement and obtaining their real commitment to its terms and implementation”.⁷¹

158. Second, there is a significant risk that external diplomatic pressure can result in a ‘dual legitimacy trap’ where the demands that external actors place on elites (often embedded in formal peace agreements) are in tension with, or in contradiction to, the pressures elites face in maintaining their support bases. For example, in Afghanistan elites came under heavy pressure to reduce levels of illegal opium production in order to maintain the support and backing of international actors. However, opium bans generated widespread resentment from local populations whose livelihoods are dependent on cultivating the crop and thus weakened local and provincial elites whose positions were dependent on maintaining the support of local communities. Thus the opium bans undermined the very structures of authority that the government was reliant upon to extend its writ into the countryside.

159. Third, the prioritisation given to formal peace agreements can also mean that ‘transactional’ elite bargains, which may be separate from the formal peace accord, fail to gain international support and legitimacy. For example, in Sudan the international community invested heavily in the 2005 CPA but not in the effective elite deal of the 2006 Juba Declaration. Therefore, the international community had less investment in making the 2006 deal work, despite the fact that this deal better resembled the distribution of power in South Sudan compared with the division of resources as outlined in the CPA that focused the resources in the hands of the SPLA through their dominance of the new Southern government.

Consolidating the peace: Post-agreement implementation

160. War recurrence in conflict-affected countries is a common phenomenon and external intervention is often viewed as an important mechanism for enforcing fragile peace agreements until the momentum for peace is self-sustaining. This has involved monitoring of, and financial support for, the implementation of peace agreements, for example support for conducting national elections and Disarmament, Demobilisation, and Reintegration programmes.

161. The cases show that war to peace transitions do not follow a linear trajectory and that the reaching of a formal peace agreement does not necessarily create the momentum for more sustained post-war transformation. Indeed, where heavy international pressure played an instrumental role in the signing of a peace agreement, this is frequently followed by a strong elite push back during their implementation (and when international leverage wanes and the focus often dissipates). This means that ‘post’-war periods – even when they are founded upon

⁷⁰ Nathan, L. (2006). “No ownership, no peace: The Darfur peace agreement”, *Crisis States Research Centre Working Paper No.5*. London: LSE.

⁷¹ Ibid.



a clear peace agreement – can still be highly volatile and subject to continued forms of contestation that can lead to a return to violence.

162. This helps to explain why, across many of the cases (e.g. Guatemala, Sierra Leone, DRC), peace agreements have tended not to be implemented in full. However, the reasons for this were different and had varying outcomes. In some cases, (e.g. Sudan) reneging on the terms of the deal has been a deliberate strategy by one faction or the other, as local elites sought opportunities to renegotiate and improve their position. In such cases, the recurrence of violence after external diplomatic pressure receded has often been interpreted as evidence of the need for greater mediation and third-party enforcement. However, the cases warn against the idea there is a technical or intervention failure or 'gap'. In contrast, they indicate that the return to violence once external actors leave is often a consequence of the artificial nature of externally-driven peace agreements and the misalignment they create between formal structures for post-conflict transformation and the underlying political settlement.
163. In other cases, powerful elites were able to resist the reforms set out in peace agreements, and international actors may face difficult trade-offs and dilemmas around upholding the terms of an agreement against the risk that doing so would generate instability. In Guatemala, for example, powerful military and economic elites – which retained significant control over the country's political system and economy – were able to resist commitments to land reforms and transitional justice that were directly counter to their interests, and the US chose not to intervene.
164. In other instances, the lack of sustained international pressure following a peace agreement may contribute to its unravelling. For example, in the Democratic Republic of Congo, the soldiers who rebelled cited the failure to uphold the terms of the 2009 March 23 peace agreement as a key factor in their taking up arms again. In this case, external actors could have changed the trajectory of the conflict by bringing to bear early pressure on Rwandan president Paul Kagame, but chose not to do so. In Mozambique, RENAMO leaders blamed the failure to fully uphold the terms of the 1992 Rome peace accords on external actors as well as the FRELIMO government. Two decades later, RENAMO leader Afonso Dhlakama claimed that donors did not follow through sufficiently on their commitments to fund the agreement, even though substantial amounts of funding were provided. These benefits may have been unevenly divided, with the bulk going to FRELIMO supporters. In this case, external actors could have implemented more robust checks on how funds were distributed, and helped uphold the terms of the agreement.
165. The scope for peace agreements to be implemented – and the role that interveners can play in supporting implementation – is also shaped by two other important factors: (1) the nature of the conflict and the issues that are being contested; (2) the nature and distribution of power at the end of a conflict. For example, international support for the implementation of the 2005 Aceh peace agreement was aided by the fact that the stakes upon which the Free Aceh Movement (GAM) were fighting shifted from outright secession and independence to demands for greater political rights, withdrawal of non-Aceh troops, the right to establish local political parties and the division of resource revenue. This marked a shift from an indivisible to a divisible conflict and created a context in which international intervention could play an important role in ensuring these conditions were upheld. In contrast, in cases where conflict remains over indivisible issues, getting to a peace agreement and then implementing it is extremely difficult. In Vietnam's 1973 Paris Peace Accords, for example, indivisible conflict between north and south over the very nature of the future Vietnamese state made it



impossible to implement any kind of lasting peace agreement despite the fact that such an agreement suited the interests of the US, the Soviet Union and China at that time.

166. In cases where there have been concerted internationally-backed efforts to reach and then implement comprehensive peace agreements, the potential to realise such outcomes is shaped by the configurations of power left at the end of the conflict. In Colombia, for example, the implementation of the 2016 Peace Agreement faces huge challenges due to the highly fragmented political dynamics. At a national level this is reflected in the electoral competition between supporters of President Juan Manuel Santos and former president Álvaro Uribe. The rivalry between them is rooted directly in the nature and implementation of the peace agreement. The role of external actors in implementing the peace agreement has also been complicated by the fact that the demobilisation and disarmament of the FARC has created a more volatile and multipolar settlement in light of the prevalence of paramilitary organisations that are now contesting former FARC-controlled territory.
167. Many of these cases highlight that policies set out in peace agreements – which have primarily revolved around supporting free market democracies – are often at odds with the logic that underpins limited access orders, making their implementation inherently destabilising. Electoral democracy, for example, is typically viewed as a rite of passage for post-conflict transitions, the timing of which is often set by external actors (often as a way of legitimising their exit strategy). However, attempts to introduce more open political competition through elections can shorten the shelf-life of elite bargains that underpin transitions by fragmenting and destabilising the kinds of ‘transactional’ agreements (such as the rent-sharing arrangements) upon which stability is founded in limited access orders. In many cases, pressure to implement such policies – and their timing – has been linked to domestic power struggles within intervening powers. For example, the timing of the Afghan elections post-2002 was tied to the timing of George W. Bush's presidential election in the US.

Conclusions

168. Diplomatic and political interventions are typically seen as a less risky and costly form of intervention. However, the cases show that diplomatic intervention is not costless. Tensions and trade-offs exist between the opportunities that interveners offer in terms of supporting negotiations versus the damage they may cause by blocking or distorting domestic bargaining processes and in further destabilising volatile power dynamics. Therefore the tendency of interveners to believe that ‘something must be done’ in the face of violent conflict – with diplomatic interventions often being the first step – needs to be counter-balanced by more rigorous analysis of how such interventions are likely to impact on existing power dynamics and elite behaviour.
169. These issues relate to the broader theme that runs through the report of the tension between ‘working with the grain’ of existing power structures versus efforts to promote more transformational post-war outcomes. Where political interventions are more conservative and aim primarily to facilitate negotiations, build confidence and trust in peace processes and address security dilemmas, elites may see this as an opportunity to perpetually avoid core points of contention, resulting in little scope for any kind of transformational change. In contrast, efforts to promote more ambitious and comprehensive peace agreements can push elites into positions they cannot sustain without external resources and support. The key challenge for diplomatic and political interventions is to find ways that create space for meaningful political dialogue and can support momentum for more developmental post-war



outcomes without pushing too hard against the existing political settlement and against the kinds of deal-based mechanisms upon which elite bargains are founded.

4.3.2 Military and policing interventions

Overview

170. In this section, we examine the range of coercive measures deployed by external actors in order to: a) enforce or bring about an elite bargain; b) keep the peace in the context of peace talks or a peace accord; and c) support post-agreement consolidation. We explore how external military/security interventions impact upon and shape the political economy of violence in the context of stabilisation efforts. Specifically, we address: how interventions affect the balance of coercive power between elite groups; and the extent to which interventions have contributed to the monopolisation and bureaucratisation of coercive power and enhanced stability; or conversely, whether they have contributed to the fragmentation of the means of coercion, intensified elite competition, and undermined political settlements.
171. Across the cases there is a wide spectrum of external ‘specialists in violence’ involved in different forms of ‘violence provision’/conflict management at different stages of a war-to-peace transition; from governmental and inter-governmental military actors involved in war fighting and counterinsurgency operations (e.g., NATO forces in Afghanistan, US forces in Iraq and Vietnam) to ceasefire monitoring prior to a peace settlement (e.g., SLMM, Sri Lanka), to peacekeeping operations following an agreement (e.g., Sierra Leone, Mozambique, Nepal) to technical support, funding and training for SSR, DDR, policing reforms in the context of post-agreement peace consolidation (e.g., Afghanistan, Northern Ireland, Colombia).
172. Although the rationale for external military interventions varies from case to case, the broad assumption is that external support is necessary because the affected state is unable to manage its internal security. The deployment of external security providers can have various aims; undermining or augmenting the coercive capacity of targeted actors or groups to change the balance of power and clear a path for a negotiated peace agreement; to provide security guarantees so that armed groups have the confidence to engage in peace talks; to police the implementation of a peace agreement, provide protection to the civilian population and ensure the delivery of aid; to provide support and training for the restructuring of the security and justice sector to ensure a more stable and inclusive long term peace. Since these goals are usually pursued alongside other (economic, diplomatic, legal) policy measures, it is difficult to isolate and assess the impacts of military/policing instruments alone.
173. As already highlighted, in the majority of case study countries, violence potential is diffuse or fragmented and it is managed by forging coalitions between powerful elites. Stable political settlements are the result of the co-option of elites that have ‘holding power’ or the potential to destabilise the political settlement. The ‘disruption potential’⁷² of elites depends on access to the means of violence on a sufficient scale to challenge the terms and distribution of benefits of the prevailing political settlement. As already noted it is important to dis-entangle different types of violence that are characteristic of, and inherent to, limited access orders, and to understand how external military engagement may interact with them.
174. External military interventions may have the effect of placing limits or constraints on certain types of violence observable in limited access orders. They can shift elite incentives away from

⁷² Kelsall, T & M. vom Hau (2017) ‘Beyond Institutions: A Political Settlements Approach to Development’ Draft Paper, July 26 2017.



the deployment of violence to pursue their interests, or conversely they can have the opposite effect of intensifying and fragmenting the means of violence. Elites will look to challenge/engage with external interventions as part of broader processes of bargaining and contestation. Although foreign security actors may see themselves as external and standing above the fray, they must be analysed as players in the 'game'. When they engage in such environments (either by deploying violence themselves or by backing certain warring actors) they tend to invest heavily in drawing clear boundaries between themselves and the recipients of their support – by having separate chains of command, following differing operating procedures and codes of conduct, focusing on the technical dimension of the mission and having clear exit strategies. Military instruments are usually framed as short-term measures, deployed to enable a transition from violence back to politics. However, notwithstanding these efforts, as explored further below, military interveners inevitably get drawn into and embedded in the politics surrounding violence.

Military intervention to enforce a peace agreement

175. Here we are concerned with military interventions where there is no 'peace' to keep. These include major troop deployments engaged in war-fighting and counterinsurgency, and/or airstrikes mounted to support client regimes (Malaya, Vietnam), or conversely to overthrow regimes that were viewed to be generating instability or supporting terrorism (Afghanistan, Iraq, Libya). Other external military interventions were deployed with the aim of creating more conducive conditions for a negotiated agreement and/or to address humanitarian crises including the Indian Peacekeeping Force (IPKF) in Sri Lanka, Operation Restore Hope in Somalia, UK intervention in Sierra Leone, UNPROFOR in Bosnia and the South African Development Community (SADC) Forces in relation to M23 in DRC.
176. Drawing broad conclusions from such a diverse range of cases is difficult, but a number of observations can be made about the utility of external force and its impacts on the enforcement of a peace agreement and the underlying political settlement. The limits of foreign military intervention in creating the conditions for improved stability through a negotiated peace agreement underpinned by a new political settlement, comes out strongly. Few cases can be identified where successful peacebuilding outcomes can be attributed to the deployment of coercive measures. The most positive cases can be found where there was a supportive domestic coalition for strategic and limited military interventions, allied with timely diplomatic action, which together played a stabilising role and in some cases created a more permissive environment for peace negotiations. For example UK intervention in Sierra Leone in 2000 (Operation Palliser) changed the military balance of power, helped strengthen the UNAMSIL mission and paved the way for a DDR process. Another example is the role of SADC in relation to M23; the key to this intervention being the calibration between the deployment of force and the use of diplomatic and economic pressure on Rwanda, M23's key backer. Arguably also the increased unity of military purpose amongst western nations created more propitious conditions for a negotiated settlement in Bosnia. The 2011 Sangin Accord hints at the potential for the calibration of diplomatic, military and economic measures to forge an elite bargain that was temporarily stabilising, yet in the absence of an overarching political settlement it soon broke down. This example, as well as the case of the 'Awakening' in Anbar Province in Iraq, shows that externally facilitated responses to insecurity, may appear to be successful in the short term, but can have deleterious consequences in the long term.
177. The long-term costs of military intervention to effect regime change, comes out strongly in several of the cases. Interventions in Afghanistan, Libya and Iraq, overthrew regimes that were underpinned by exclusive but stable political settlements – in which there was limited



competitive violence, though high levels of embedded violence. Intervention had the effect of fragmenting the means of violence – in a sense democratising violence rights and reversing the regimes’ historical efforts – largely successful in the cases of Libya and Iraq - at monopolising the means of coercion. This led to a splintering of the political settlement, whilst efforts to forge a new ‘grand bargain’ were undercut by the forces (both domestic and regional) that were galvanised by military intervention – the multitude of specialists in violence who were no longer constrained by, or incentivised to mediate with, a domestic ruling coalition.

178. Foreign military intervention – particularly when there is an extended troop presence – risks producing an escalatory dynamic and creating perverse incentives for further violence and closing down the political space for elite bargaining. The presence of large foreign troop deployments can become a systemic and central part of a volatile conflict system, around which vested interests develop for its continuation. It provides a mobilising anti-colonial narrative that can glue together violent entrepreneurs with quite different agendas – as for example the Taliban, al Qaeda, Hezbi Islami and the Haqqani network in Afghanistan. In addition, because of concerns about the safety of foreign troops (or simply because there are many more soldiers than civilians), there may be strong incentives to resort to kinetic force more readily than attempting political bargaining and negotiations. Furthermore, military intervention can be leveraged by domestic players to undermine their enemies, for example by claiming that one’s political opponents are ‘al-Qaeda’ so that they are arrested or killed by unwitting foreign troops.
179. External military interventions can also become sources of rent and resources that can fuel the war economy. The logistics and contracting operations around the war efforts in Iraq and Afghanistan and the tendency for them to fuel corruption and provide part of the tax base for the insurgency has been well documented. Rather than addressing the ‘violence problem’, intervention may simply displace it – in Iraq, Afghanistan, Somalia, Libya and Mali, foreign interventions have pushed rebel groups into borderland regions which as noted earlier became neuralgia points in regional conflict systems. This in turn, increases the complexity of negotiations as neighbouring powers are drawn into, and have stakes in the conflict. In sum, a heavy military footprint may have the effect of dis-incentivising domestic elite bargaining that aims to forge a new political settlement. In effect international troops become the dominant ruling coalition and the bargaining game for domestic politico-military entrepreneurs becomes one of trying to negotiate ‘protection pacts’ and ‘provision pacts’ with the occupying force, rather than bargain with one another. Military intervention may have the effect of ‘freezing’ the war rather than ending it.
180. Foreign military interventions ostensibly aiming to build peace are in a number of the cases mixed up with other policy goals including counter-insurgency (COIN) and counter terrorism (CT) objectives. Although it is beyond the scope of this study to examine in detail the effects of COIN and CT, both have significant impacts on the scope for stabilising elite bargains and peace agreements. COIN doctrine and practice, can perhaps be understood as an attempt to work with the grain of local political society and social structures. It runs in parallel to, and overlaps with, the ‘local turn’ in peacebuilding with its focus on engaging with ‘traditional’ security providers – such as paramount chiefdoms in Sierra Leone or tribal or clan structures in Afghanistan, Iraq and Somalia. In the case of the Iraqi ‘Awakening’ strategy, in which a series of loose bargains between US forces and Sunni insurgents were forged, a temporary reduction in levels of violence was achieved, but ultimately these deals broke down because of a lack of support from Maliki and the central government. Similarly international forces’ support for tribal militias in Afghanistan failed to extend the footprint of the government and build stability at the local level. The Afghan government became increasingly critical of the practice because ‘going local’ further fragmented the means of violence and authority; instead of addressing



security dilemmas it created new ones, acting as a disruptive and centrifugal force in the Afghan security market. Rather than creating stable interdependencies between centre and periphery, militia formation increased the autonomy and volatility of politico-military networks.⁷³ In the Afghan political marketplace, such programmes inflated the costs, for central state elites, of buying the loyalty of peripheral elites. Contrasting examples where COIN strategy appears to have been more successful on its own terms – in weakening the rebels prior to a peace settlement (as in Colombia) or military victory (as in Sri Lanka) - indicates that a key factor is the existence of a high capacity regime that understands the terrain, and that militias are operating within a broader security architecture.

181. International military engagement was animated in several cases by counter terrorism goals, notably in Somalia, Afghanistan, Iraq, Mali and Libya. Again the topic is too vast for an adequate treatment here, but a number of points that are salient to the question of elite bargaining can be highlighted; first, the logic of counter-terror and stabilisation may run in opposite directions. The label 'terrorist' creates strong boundaries between in-groups and out-groups, which may be inimical to, and undercut the pragmatism needed for building an inclusive peace process and political settlement – the cases of Al Shabaab and the Taliban being excluded from peace talks have already been noted. If strict counter-terror conditionalities had been applied in the Northern Ireland and Nepal peace processes then neither the IRA nor the Maoists would have been able to enter the talks.
182. Second, the means deployed to pursue the war on terror may undermine the potential to forge a new elite consensus. The war on terror has created new rent-seeking opportunities for politico-military entrepreneurs – international as well as local - who may have limited local legitimacy or accountability. The arming and deployment of local warlords, the use of inaccessible prisons and black sites, and the deployment of para-military structures, loosely coordinated intelligence agents and private security companies together constitute a network of actors that are frequently beyond the rule of law, and extremely resistant to efforts to forge a stable political settlement. Third, counter-terrorism measures can lead to 'perverse internationalisation', where rebel groups branded as terrorists are pushed into a closer relationships with transnational terrorist groups in order to gain access to resources and strengthen their bargaining position with the state, as happened with the Taliban in Afghanistan and Tuareg groups in Mali.
183. Finally, as already intimated, 'violence rights' are extremely fragmented and diffuse in the international arena. Turning the political settlement framework inwards, it is clear that particularly in militarised and politicised international interventions, the problems of forging an elite political consensus based on an agreed rules of the game, is as much of a challenge in the international sphere as it is in conflict affected countries.

Military Intervention to Keep the Peace

184. A number of the cases have involved international peacekeeping forces – either to monitor ceasefires whilst peace talks are ongoing or to oversee the implementation of the terms of the peace agreement. They have varied in terms of their size, duration, coercive capacity and breadth of mandate.

⁷³ Goodhand, J and Hakimi, A (2013) 'Counterinsurgency, Local Militias and Statebuilding in Afghanistan' United States Institute for Peace, Washington, US.



185. In theory peacekeeping interventions have a limited shelf life; their purpose is to address security dilemmas, provide confidence, send clear signals to the conflicting parties, protect the civilian population and enable a transition to 'local ownership'. In the Nepali case, these goals were to an extent achieved without the deployment of armed peacekeepers (which was resisted by India), but through unarmed civilian observers and a political office with a time bound UN mission that was supportive of, and responsive to the diplomatic process. This was complemented through aid programmes explicitly linked to the 'inclusion agenda' set out in the CPA.
186. In other cases there have been significant contingents of peacekeepers deployed under the authority of the UN, NATO, regional organisations, regional powers or a 'coalition of the willing'. The line between peacekeeping and war-fighting has been blurred in many of the cases – broadly, the greater the misalignment between the peace agreement and the underlying political settlement, the greater the potential for instability and more 'robust' peacekeeping – with Afghanistan being an emblematic case. Foreign peacekeepers may get drawn into confrontations and/or provoke an armed reaction, especially in non-consent based Peace keeping Operations (PKOs) – as happened with the IPKF in Sri Lanka, UNISOM in Somalia, MONUC in DRC, and NATO troops in Afghanistan.
187. Second, a heavy military footprint risks creating perverse incentives. As noted above, kinetic force can become a substitute for diplomatic measures and local negotiation, and the military, who have the greatest manpower and resources, can easily overshadow and distort other areas of external intervention. Third, foreign forces and PKOs may work through finance, strengthen and legitimise armed proxies who may have limited authority and support in society, and in so doing create baleful legacies. Repeated interventions in Afghanistan, Somalia and DRC associated with large infusions of arms and aid contributed to the formation of a predatory military class that, in the absence of a cohesive ruling coalition, has a limited interest in 'peace'.
188. Fourth, in these cases of serial intervention, there is a seeming paradox; the presence of external peacekeepers may create perverse incentives that prevent the emergence of a stable political settlement, yet the sudden withdrawal of coercive power and resources leads to a new round of violence. This phenomenon is most problematic in cases where the level of external influence is higher – and so elites are focused on satisfying the demands of external actors rather than domestic support bases. In such cases, the pulling out of external military forces will create the greatest instability to the equilibrium that has underpinned a limited access order. Afghanistan and Somalia are the two most obvious examples in which foreign engagements have produced rentier states and rentier rebels that have developed strategies geared to capturing external flows of resources. And it is not only elites who benefit; there is a wider trickle down of resources to society at large in the form of employment, contracts, development projects and so forth. A sudden end to these income streams and benefits is likely to create shocks and incentives for bottom up violence.
189. The recurrence of violence after peacekeeping forces leave has often been interpreted as evidence of the need for third-party enforcement (and the apparent effectiveness of such enforcement – i.e., 'look what happens when external actors leave...'). Conversely, violence recurrence may in fact be the result of such interventions due to the way that their presence and then their departure destabilises the fragile stability of limited access orders – this is captured in Alex De Waal's notion of 'endless peacekeeping'.



Military intervention to consolidate the peace

190. We are concerned here with interventions by security actors (state and non-state, military and civil), which aim to create a more secure environment for a post-war transition. These include efforts directed towards the 'supply' of security including accumulation, monopolisation and bureaucratisation of the means of violence (large-scale and small scale) – including SSR and DDR, train and equip programmes, police reforms – and efforts to strengthen the 'demand' for improved security including community policing, access to justice programmes, civil society oversight of the security sector and so forth. To an extent it is assumed that competitive violence has been dealt with through the peace agreement (though this is often not the case) and these interventions are about preventing it from reoccurring and to directly target embedded and permissive violence.
191. SSR and DDR are at the core of the international template for a sustainable security transition. In theory they are meant to help bring about a gradual shift in elite bargaining from 'deal-based' to 'rule-based' mechanisms. In contexts where stabilisation is predicated on 'deal-based' mechanisms around the use of violence, the likelihood of stability enduring may be weaker because elites' commitment to not deploying violence remains only as long as the deal stays in place. In contexts where there are moves to more impersonal, rules-based mechanisms around the use of violence, these may pave the way for greater stability as it provides stronger foundations for the containment of violence.
192. Throughout the cases there is a tension or a trade-off between *managing* violence and *transforming* the structures of violence in order to achieve the 'rules-based' mechanisms described above. The management of violence has included more pragmatic strategies around engaging with 'warlords', forming militias, amnesties for rights abusers etc. Attempts to transform violence have involved measures that aim to create new security architectures, linked to strengthening the state's monopoly on the means of violence and to move towards greater democratic oversight of the armed forces and policing. However, such efforts have major 'distributional effects' – they grant the state the right to use violence but deny it to others. Such approaches are likely to be highly contested – particularly where the gap between the existing political settlement and the transformational goals of SSR is a large one – and therefore may entail more violence before the state's monopoly on violence is realised (with no guarantee it will be). Therefore, whether efforts are directed at managing violence or consolidating the means of violence, both carry major tensions, risks and different timeframes.
193. The holding power (the ability of elites to hold out in conflicts against the state or other elites) of the state militaries in post-war transitions comes out strongly across the cases, and this in turn shapes SSR and DDR processes as well as the political and socio-economic transitions. In Guatemala and Nepal, partly as a result of foreign funding and training during the war, the military expanded in size. Consequently, in the post-war period, the armed forces have become increasingly dominant and remain a crucial, and largely unaccountable, political force. In spite of internationally supported SSR and DDR programmes in both countries, such reforms have generally been a façade, leaving underlying configurations of power unchanged.
194. Therefore elite bargaining surrounding SSR and DDR processes means that decisions about such programmes are never purely technical, but highly political. The question of DDR and the absorption of Maoists into the Nepali military structures became a key sticking point and threatened to destabilise the peace. India played a crucial role in mediating this dispute. This example hints at the complex and recurrent feedback loops between political settlements and



DDR processes. Rather than seeing DDR as the precondition for security, often the opposite may be the case, i.e. security is the precondition for an effective and sustainable DDR programme.

195. It is also obvious that interventions in other spheres shape the security transition. For example, in Sierra Leone, there was a widely recognised failure to sufficiently grow the economy, create employment and tackle poverty, which held back efforts to re-integrate ex-combatants. Similarly, in Afghanistan the lack of investment in the agrarian economy meant that there were few opportunities in the licit economy to absorb former fighters. The failure of the economic transition to keep pace with and support the security transition may account for the growth of permissive violence in many post-war societies – as for example with growing criminal violence in post accord Guatemala and Colombia.
196. The growth of permissive violence can be linked to the inadvertent effects of external interventions during the war, or to post peace agreement efforts that aim to combat criminal economies. Military and policing interventions may unsettle and rebalance violence rights in regions where organised crime interests dominate – for example narco-trafficking in Colombia, Afghanistan, Guatemala and Tajikistan. In some cases, military intervention was set up to deliberately disrupt narco-trafficking patterns. Plan Colombia sought to reduce the FARC's financial resources and local influence, and required a substantial strengthening of the Colombian military. This intervention changed the national political settlement, creating the conditions that induced the FARC and the government to negotiate. But there were also downstream effects as local and regional political settlements were undone, including those that incorporated the interests of organised crime and narco-traffickers. In some cases, FARC splintered internally over control of narco-trafficking routes; in other cases, FARC fought the ELN, or joined the ELN; in other cases still, criminal gangs sought to take control. Military intervention reshaped violence rights at the national level but also unsettled and fragmented political power at the local level.

Conclusions

197. Although the cases are too narrow and unrepresentative to draw wider conclusions, it is noticeable that in the majority of African cases, there has been a heavy international military footprint, whilst this has rarely been the case in Asia and Latin America. From the cases, Asian and Latin American powers that have engaged in the conflict-affected countries have tended to adopt a different approach to stabilisation than western powers. There is a stronger rhetorical insistence on sovereignty, a prioritisation of diplomacy over coercion and a strong preference for establishing or working with a ruling coalition that is powerful but exclusive, rather than weak but inclusive.
198. The cases highlight that notwithstanding the potential for external military actors to stabilise large-scale armed conflicts, they *always* bring their own forms of disruption. This suggests that approaching violent conflicts through a fixation on wartime violence can lead to an assumption that any intervention is worth trying given that the priority is to stop the violence. This leads to a tendency to conceptualise interventions as entering into a vacuum where anything to try to stop the violence is better than doing nothing. This also leads to the danger of deploying violence as a 'first resort' and as an alternative to, rather than a support for, diplomatic and political measures. From Vietnam, to Somalia, to Afghanistan, the dangers of creating a new infrastructure of violence and honing combat effectiveness in the absence of a political strategy comes out clearly. Highly invasive military engagements tend to crowd out local capacities and foster dependent relations, and are deeply destabilising when withdrawal takes place.



199. Therefore, approaching violent conflict by focusing narrowly on the violence and the need to ‘do something’ about it, rather than the politics surrounding this violence, means that the logic underpinning limited access orders are not understood and the distortionary impact of external interventions on this logic is overlooked, or at least not properly engaged with.

4.3.3 Economic interventions

The logic of economic interventions

200. In this section we assess the array of economic interventions deployed by external actors. Broadly, economic measures – ranging from aid, investment, trade deals and sanctions (or the threat of) – are aimed at incentivising elites to adopt non-violent ways to resolve social conflicts, and to generate economic growth that can enable fragile states to escape the ‘conflict trap’⁷⁴ and experience a ‘peace dividend’ that encourages a sustained commitment to peace.

201. As with the rest of the report, the focus here is specifically on measures aimed at strengthening processes of elite bargaining to stabilise large-scale violent conflict and to sustain commitment to broader processes of peacebuilding, rather than focusing more broadly on the full array of post-conflict reconstruction efforts. However, many of the cases also reveal insights into the enduring impact of economic measures that are initiated as part of initial efforts at stabilisation.

202. The rationale for deploying economic measures to shift incentive structures around war and peace is linked to a body of work arguing that the primary motivation for armed groups to choose to fight since the end of the Cold War has been the economic benefits that war delivers.⁷⁵ These claims, which have been influential for policymakers, warn that political or diplomatic measures are unlikely to succeed without directly confronting the profitability of war and the incentives this provides for elites and their followers to engage in warfare. From this perspective, addressing violent conflict requires external actors to deploy an array of economic measures to shift these incentive structures and make combatants view peace as more profitable than war. This has included initiatives aimed at: dismantling war economies; sanctions against aggressors; conditioning aid flows, investment and trade deals to commitments by warring elites to peace negotiations and/or the implementation of peace deals; and efforts to stimulate economic growth nationally in order to generate employment and broad-based development in order to discourage a return to violent conflict. The logic underpinning economic interventions has also been motivated by a belief amongst international donors that peace agreements and periods of post-conflict transition offer opportune moments to tackle corruption and to enforce a series of wider structural economic reforms.

⁷⁴ The ‘conflict trap’ relates to the claim that initial outbreaks of armed conflict are likely to create the conditions that then lead to further outbreaks of armed conflict in the future. Although some of the factors claimed to underpin this conflict trap are not economic in nature (such as the ways in which war polarises populations, generates resentment between warring groups based on wartime experiences, instills the organisational capacity amongst elites to wage war and undermines non-violent mechanisms for conflict resolution), the argument has strong economic undertones. This is based on claims that war exacerbates poverty and underdevelopment, which in turn generates incentives for people to take up arms in the future (for example, due to lowering the opportunity costs of fighting (‘people have less to lose’), and the economic opportunities that war can bring). This logic is underpinned by a rational actor framework of human behaviour.

⁷⁵ This claim is associated most closely with the work of Paul Collier. See: Collier, P. (2000). “Doing well out of war: An economic perspective”, In: Mats Berdal and David Malone (eds.). *Greed and grievance: Economic agendas in civil wars*. London: Lynne Rienner Publishers. Collier, P. & Hoeffler, A. (1998). “On the economic causes of war”, *Oxford Economic Papers*, 50(4): 563–73. Collier, P. et al. (2003). *Breaking the Conflict Trap*. Washington, D.C.: World Bank and Oxford University Press.



The range of economic interventions

203. The cases reveal a wide array of economic interventions deployed by external actors in conflict-affected states aimed at:

- (1) efforts to pressure warring parties into entering negotiations.** This has included sanctions targeted at warring parties (both state and non-state armed groups) to pressurise them to enter into peace negotiations and/or to limit their capacity to wage war, for example the efforts to tackle the targeting cross-border trafficking and trade of 'conflict diamonds' emanating from Sierra Leone.
- (2) efforts to shape the outcomes of negotiations.** This includes external funding to 'buy-off' potential spoilers in peace processes, as was the case in Northern Ireland where police officers retiring from the pre-peace accord police force received very handsome pension pay-offs. It has also included efforts to use external aid as a mechanism through which to 'co-opt' elites into engaging with peace negotiations. In Somalia extensive aid flows has provided discretionary funding for elites encouraging them to commit to external peace efforts. In Mozambique the 'UN Trust Fund for Implementation of the Peace Process in Mozambique' (1993-94) provided extensive funding to support RENAMO's conversion into political movement to contest the 1994 general election.
- (3) efforts to enforce agreements and to strengthen the economic foundations for sustained peace.** External aid has been deployed in an attempt to create a 'peace dividend' by stimulating economic growth, poverty reduction and 'inclusive' development. In the Philippines, the Sajahatra Bangsamoro Program (supported by a multi-donor grant called the Mindanao Trust Fund) aimed to initiate socio-economic programs to create support for peace. In Northern Ireland, four successive EU Northern Ireland PEACE Programmes have leveraged more than 1.5 billion EUR between 1995 and 2013 for infrastructure, economic development and broader civil society support. In Aceh, large amounts of post-Tsunami aid were linked to the peace process, while in Sri Lanka, China has provided extensive funding (concessional loans) for major infrastructural developments such as improving the nationwide road network, major port developments (e.g., Hambantota) and power stations under the rubric of fostering peace and stability.

In some cases, this has included funding to support the implementation of specific tenets of peace agreements. In Mozambique, the Reintegration Support Scheme (RSS) was designed to support a DDR process. Demobilised soldiers were paid monthly stipends for two years, totalling US \$94.4 million, 75% of which was covered by donors. The aim was "to pay them [Renamo forces] and to scatter them."⁷⁶

Peace agreements and periods of post-conflict transition have also been viewed as opportune moments to pressure implementation of wider structural economic reforms, often through aid conditionality. In Sierra Leone post-conflict aid flows from many donors were conditional upon the government adhering to the terms of the IMF Poverty Reduction and Growth Facility (PRGF), which prioritised macroeconomic stability. Donors have argued such reforms are necessary to strengthen overall economic performance and to provide a more stable foundation for peace and development, although such claims are highly contested.

⁷⁶ McMullin, J. (2004). "Reintegration of Combatants: Were the Right Lessons Learned in Mozambique?" *International Peacekeeping* 11 (4): 625-643.



Assessing the impact of economic interventions

204. There are a number of challenges in assessing the impact of economic interventions on stabilising armed conflict and reducing levels of violence. First, economic interventions do not occur in a vacuum but operate alongside an array of other dynamics. For example, targeted sanctions on rough diamonds and the largely effective interruption of cross-border smuggling by British and Guinean forces in Sierra Leone and Liberia respectively have often been cited as key to ending the conflict in Sierra Leone. However, these sanctions operated alongside a wider array of other factors. This included growing US pressure on Charles Taylor's Liberian government, leading to reduced Liberian support for the RUF, greater military pressure on the RUF, reforms within Sierra Leone's military, and a more extensive DDR programme.⁷⁷
205. Second, economic interventions often operate at multiple levels concurrently, including at the individual level (for example DDR payments to ex-combatants, targeted sanctions against elites), at the community level (for example socio-economic development initiatives in fragile and conflict-affected parts of a country) and at the societal level (such as budget support for nationwide poverty-reduction strategies). Third, the evidence base on the relationship between economic interventions and the dynamics of violence remains limited and contested with different studies drawing contrasting conclusions on the impact of sanctions and aid. Furthermore, the more comprehensive and ambitious aid interventions are, the harder it is to measure their impact through simple cause and effect models of analysis. Much analysis makes problematic assertions about what has and has not worked without adequately addressing the complexity of long causal chains and the lack of counterfactual knowledge.⁷⁸
206. Fourth, much of the logic underpinning economic interventions and analysis of their efficacy does not adequately address the political economy dimensions of such measures on rent-sharing arrangements surrounding how limited access orders operate, the extent to which such interventions strengthen or distort elite bargaining processes, the distributional impact that such measures have and how they affect the relationship between horizontal and vertical inclusion, and the tensions and trade-offs that exist between different economic measures that are often implemented concurrently in fragile and conflict-affected states.
207. Although these limitations and caveats warn against definitive conclusions, the cases do reveal a number of important insights regarding the impact of economic interventions on (de)stabilising large-scale armed conflict. Three particularly important factors stand out: (1) the level of influence that external actors have, largely predicated upon the significance of external financial flows to the national economy and the level of aid dependence on key donors; (2) the nature of the limited access order in the country where interventions are implemented; (3) the impact of wider economic policies (i.e., not those explicitly designed as peace-making interventions) in shaping the structural framework within which elites operate. The remainder of this section explores each of these factors in turn.

The level of external influence

208. The extent to which external actors have been able to use economic levers to pressurise and co-opt elites into engaging in negotiations and committing to peace agreements is shaped by the

⁷⁷ Keen, D. (2005). *Conflict and Collusion in Sierra Leone*. Oxford & New York: James Currey, Palgrave and International Peace Academy. Keen, D. (2009). "Economic initiatives to tackle conflict: Bringing politics back in", *Crisis States Research Centre Occasional Paper* 9. London: LSE.

⁷⁸ For a further critique, see: Cramer, C., Goodhand, J. & Morris, R. (2016). *Evidence Synthesis: What interventions have been effective in preventing or mitigating armed violence in developing and middle-income countries?* London: DFID.



level of aid dependency and the importance of external flows of revenue to the foundations of elites' holding power. In some cases elites' reliance upon accessing external aid flows has meant that conditioning such aid flows to peace negotiations has been effective in encouraging elites to pursue peace. In Mozambique, for example, the country's extreme level of aid dependence – estimated to be as high as 90% of GNP in 1994⁷⁹ – increased the susceptibility of both the FRELIMO government and RENAMO to succumb to external pressure for negotiations, especially following the collapse of support from the Soviet Union and other eastern bloc countries.

209. However, the ability of external actors to use such economic levers should not be over-stated. External influence remains shaped by how economic measures interact with the underlying logic of how limited access orders operate in fragile and conflict-affected countries. Even in the case of highly aid-dependent Mozambique, RENAMO's decision to engage in talks was also shaped by various other political and economic guarantees, including the right to tax businesses in areas it controlled. Furthermore, even in countries that receive significant aid, aid flows must be placed in the wider context of the rents contested by elites, which may include cross-border trade and remittances. For example in Afghanistan the channelling of extensive volumes of aid through the central government has been intended to encourage the country's powerful regional elites to co-operate (and thus gain access to such aid). Yet, such economic strategies have had to compete with the vast income generated from the country's cross-border trade (in both legal and illegal goods) over which the central government exercises little control.
210. Many of the cases also reveal that competition between donors for influence and the bilateralisation of aid can enable governments (and also opposition groups) to partake in 'donor shopping', off-setting donor attempts to condition their aid with demands for progress in peace negotiations by accessing assistance from other donors. (Re)emerging powers, especially China, but also Russia and India, provide billions of dollars of aid every year, much of it outside of western monitoring systems such as OECD development finance data or the International Aid Transparency Initiative (IATI). The increasing importance of such non-western aid flows has, in many cases, blunted the impact of sanctions and aid conditionality on warring elites. In Sri Lanka, for example, western donors increased aid flows to Sri Lanka after the 2002 ceasefire with the LTTE, conditional on progress in the peace process. But these aid flows were significantly scaled back in 2007 in an attempt to force the Rajapaksa government to reinvigorate peace talks after the breakdown of the ceasefire. This proved ineffective in light of China's significant increase in aid to the country after 2007.⁸⁰ Chinese and Indian aid after the end of the war in 2009 also enabled the Sri Lankan government to pursue its vision of 'winning the peace' through large-scale development projects in the north and east of the country rather than addressing underlying political grievances.
211. The cases also demonstrate instances when international actors have proved unwilling to implement economic measures in an attempt to strengthen momentum for peace negotiations, especially sanctions, since such measures counteract other foreign policy interests. Throughout

⁷⁹ Vines, A. 2017. "FRELIMO and RENAMO Elite Bargains: the politics of post-independence Mozambican peace processes", *Paper commissioned for the Stabilisation Unit*.

⁸⁰ A senior official from Sri Lanka's Ministry of Foreign Affairs epitomised the Sri Lanka government's ability to partake in donor shopping, stating: "we had to succumb to acknowledge blackmail and compromise with terrorism, or look for other friends, which we did. ... We shifted our focus from our traditional contacts towards the east, and we were very successful. ... In fact, we hardly felt the pinch of the withdrawal of western development assistance." Cited in: Strange, A. M. et al. (2015). "Tracking under-reported financial flows: China's development finance and the aid-conflict nexus revisited" *Courant Research Centre: Poverty, Equity and Growth - Discussion Papers*, No. 175.



much of the war in the DRC, international actors have proved unwilling to pressurise Rwanda and Uganda, both of which have played an instrumental role in fuelling the conflict, as they were major recipients of aid and investment. This case demonstrates that even in contexts where extensive financial flows do give external actors potential levers to exert pressure, competing interests may prevent such levers from being deployed. However, in the specific case of the M23 Movement in the DRC in 2012/13, a wide range of development actors *did* cut or suspend financial assistance to Rwanda following evidence that the Kagame government was backing the group. There was also significant high-level diplomatic pressure placed on the Rwandan leadership by the US and UK amongst others. The international response in this particular period demonstrated that a comprehensive and relatively united front amongst external actors and donors can prove effective in shaping elite calculations.

Economic interventions and the mechanisms of limited access orders

212. As shown in Section 3 of this report, the majority of fragile and conflict-affected states exist as varying forms of limited access order, in which the state does not exercise a monopoly over the means of violence. In such cases of contested sovereignty, stability is typically dependent on fashioning a system of ‘rents’ by manipulating access to political and economic privileges and providing powerful elites with access to these rents in return for their loyalty. In such contexts, external aid flows into volatile and monetised ‘political marketplaces’ may become an important ‘rent’ that shapes incentive structures within limited access orders. The fact that aid is sometimes ‘fungible’ (i.e., it can be used for purposes other than that for which it was intended – for example a government may use aid money to replace existing government spending on services, freeing this money to be spent elsewhere) means that it can be a particularly valued source for creating discretionary revenues for elites to strengthen patronage networks, fund election campaigns and finance violence.
213. Tensions revolve around the fact that external efforts to help fragile countries break out of the ‘conflict trap’ and deliver a peace dividend are often predicated on a series of policies – dismantling war economies, tackling corruption, promoting good governance and increasing competition in the economy – that are often anathema to the logic of limited access orders. For example, granting control over lucrative wartime economies, including illegal activities, may provide important rents through which elites are co-opted by the government, as was the case surrounding the drug trade in post-war Tajikistan. Indeed, in many cases war transforms the economic foundations of a country as illegal activities become more important to how elites accumulate wealth and for sustaining the livelihoods of parts of the population. External efforts to target illegal wartime economies may therefore work at cross-purposes to government strategies to co-opt elites, since these strategies often revolve around re-working who has access to illicit income-generating activities, rather than dismantling them.
214. The cases reveal three inter-linked tensions surrounding the respective logics of economic interventions and limited access orders and the trade-offs these tensions create. The first regards the political economy of corruption. Attempts to deploy economic measures to promote processes of elite bargaining are likely to revolve around providing clear economic incentives to armed groups to relinquish violence. This was clearly the case with the financial pledges that underpinned negotiations with RENAMO in Mozambique. In Sierra Leone, the 1999 Lomé Peace Agreement granted RUF Commander Foday Sankoh control over the country’s diamond and gold mines. In Somalia, the willingness of elites to enter into so-called ‘state-building pacts’ has been predicated on elite calculations that such a stance offers easy access to foreign aid. In 2001, the formation of the Transitional National Government (TNG) led to major aid inflows from the Saudi government that were never actually used to jumpstart the TNG but



were dispersed amongst political and business elites. Aid was deployed in similar ways under the Transitional Federal Government (TFG) that was in place between 2004 and 2012. Indeed, the copious volumes of foreign aid that have flowed into Somalia since the Mbagathi peace process in 2004 have “provided ample incentive to elites to stay in the game, and has given the post Mbagathi elite bargain a level of “stickiness” it would not have otherwise had.”⁸¹

215. However, at the same time, these external aid flows have not been able to strengthen formal institutions to govern bargaining processes in Somalia; rather they have created parallel structures, the funding for which has largely been channelled into informal arenas of elite bargaining where real power lies. Such instances of “corruption buying peace”⁸² may provide stability but can also be highly damaging in the longer-term. Although it is hard to prove empirically, this dynamic may have ‘demonstration effects’, encouraging elites to mobilise violence in order to be included in negotiations and access aid flows. It may also lock in place political and economic structures by encouraging elites to seek to maintain the status quo rather than initiate further processes of economic reform. This can lead to the emergence of rentier states, in which elites become more focused on retaining the backing of external patrons than engaging in domestic processes of elite bargaining.
216. The second tension surrounding economic interventions, closely linked to the first, is the trade-off between securing stability in the short-term and the risk that such measures sow the seeds for instability in the longer term. Many of the cases – even those covering Bosnia, Tajikistan and Northern Ireland where stability has endured – raise concerns over the long-term sustainability of the current settlement. Many of these concerns are linked to enduring economic grievances that, in some cases, have been exacerbated by the ways in which peace agreements and inflows of external revenue have been unequally distributed and have concentrated wealth in the hands of a small elite. The 1995 Dayton peace agreement following the Bosnian War, for example, was perceived by many to be “rewarding local elites who had already rewarded themselves through violent accumulation in wartime.”⁸³ In Tajikistan wealth has become concentrated in an increasingly narrow elite that has excluded much of the population. Some of the cases also warn, especially in highly aid dependent contexts such as Somalia, that external aid flows may create rent-sharing arrangements that work only as long as these economic flows remain in place. There is no clear transition to a peace cycle with momentum of its own; rather elites are constantly hedging in an environment in which the drawing down or termination of external economic support is likely to lead to renewed instability, with elites competing for the best position within changing economic conditions.
217. The third interlinked tension is the extent to which economic measures prioritise horizontal inclusion – i.e., by accommodating elites – over vertical inclusion of wider sections of the population through broad-based development programmes. Across the cases, trade-offs exist between the ways in which economic measures (such as aid, investment, trade deals) become deployed (intentionally or unintentionally) to build horizontal inclusion, against efforts to deliver a more vertically inclusive peace. The cases suggest that in fragile limited access orders – such as Somalia and Afghanistan – external aid flows are particularly likely to become

⁸¹ Menkhaus, K. (2017). “Somalia: Dysfunctional Elite Bargains and Unstable Peace”, *Paper commissioned for the Stabilisation Unit*.

⁸² LeBillon, P. (2001). “Fuelling war or buying peace: The role of corruption in conflicts” *WIDER Discussion Papers*, No. 2001/65. See also: Cheng, C. & Zaum, D. (eds.). (2011). *Corruption and Post-Conflict Peacebuilding*. Abingdon: Routledge.

⁸³ Keen, D. (2009). “Economic initiatives to tackle conflict: Bringing politics back in”, *Crisis States Research Centre Occasional Paper* 9. London: LSE. p.26.



embedded in the money politics surrounding processes of elite bargaining, reducing the scope to deliver more broad-based benefits.⁸⁴

The wider economic context of elite bargaining processes and external interventions

218. The impact of economic interventions aimed at stabilising armed conflict is also shaped by the wider economic context in which processes of elite bargaining take place. This emphasises the need for external actors to consider how global economic structures and donor-led economic reform processes – even those not ostensibly framed as peacebuilding initiatives – shape the structures that in turn influence elite interests and behaviour.

219. A number of cases warn of the instability created by processes of structural adjustment and the kinds of ‘shock therapy’ that have been deployed by the IMF and World Bank in an attempt to stimulate economic development. Such processes have often been proclaimed as congruent with peacebuilding based on the assumption that they can deliver rapid growth and thus assist countries to break out of the ‘conflict trap’. Evidence from various cases, however, questions this assumption. In Sri Lanka, for example, the rise of Sinhala nationalism and hardening approaches to negotiating with LTTE has been linked to the uneven distribution of the ‘peace dividend’ after the 2002 ceasefire. The liberalisation of the economy post-2002 appeared to contribute to economic growth and low inflation; yet the benefits of growth were concentrated on Colombo and among a narrow elite. For the majority of the rural population, liberalisation equated to reductions in food subsidies, rising food costs and less secure livelihoods, creating an environment “ripe for political mobilisation”.⁸⁵

220. In Mozambique the influx of aid to support the peace process coincided with austerity measures imposed through structural adjustment. In a country where public sector wages had historically been well above the poverty line, austerity measures and rising inflation cut public sector wages by as much as 75%.⁸⁶ This made it impossible for public servants to live off wages alone and exacerbated pervasive corruption throughout the civil service. Although such corruption (e.g., payments to teachers to pass school exams) has propped up the civil service, it has added further burdens onto those even more vulnerable.⁸⁷ Although Mozambique’s post-war growth has been impressive, this has been driven by the oil and gas sector and economic growth has coincided with worsening levels of economic inequality over the past two decades. Periodic riots (notably in 1995, 2008, 2010 and 2012) have reflected widespread frustration across Mozambique. The resumption of armed conflict by RENAMO in 2013 may have largely centred on efforts of RENAMO elites to secure a greater share of oil and gas revenues, yet it also tapped into these widespread economic frustrations that have, at least in part, been the result of externally imposed economic reforms.

221. Similar concerns regarding the risks of externally imposed economic policies reigniting conflict continue to exist in Sierra Leone. Enforced liberalisation measures imposed on the country

⁸⁴ As explained in Chapter 3 (section 3.3) the distributional impact of forms of ‘elite capture’ varies across the cases. In some cases, forms of ‘elite capture’ are highly exclusionary with benefits (in this case aid flows) concentrated in the hands of elites. In other cases, the pressures that elites face in maintaining legitimacy amongst their support base means that even where elites do capture control over the mechanisms of distribution of benefits, these benefits do still reach a wider social base.

⁸⁵ ICG (International Crisis Group). 2007. Sri Lanka: Sinhala Nationalism and the Elusive Southern Consensus. Brussels: ICG.

⁸⁶ Adedeji, A. et al. (1995). *Pay Productivity and Public Service: Priorities for Recovery in Sub-Saharan Africa*, New York: UNICEF/UNDP. p. 9; Harrison, G. (1999). “Corruption as ‘boundary politics’: The state, democratisation, and Mozambique’s unstable liberalisation”, *Third World Quarterly*, 20:3, 537-550,

⁸⁷ Ibid.



during the 1980s and 1990s appear to have contributed to the country's armed conflict in various ways. These included funding cuts to education and health services and collapsing salaries for civil servants that fed rampant corruption, all of which incited widespread grievances. David Keen also argues that praise of the government's 'financial orthodoxy' in the mid-1990s diverted attention from worsening military abuses.⁸⁸ However, after the war, aid conditionality imposed through the IMF Poverty Reduction and Growth Facility (PRGF) demanded further cuts to government salaries and to overall government spending. Although the country has remained stable, numerous observers point to the fact that many of the conditions that contributed to the outbreak of war in the 1990s remain.

Conclusions

222. The cases clearly reveal that the ability of external actors to leverage warring elites through economic measures is limited. The extent to which external actors are able to exert influence is shaped by the importance of external aid and investment to elites' power bases and also the alignment of interests between different external actors. Where elites' dependency on external flows of revenue is low the scope for external actors to influence elite bargaining processes is limited. In cases where elites are able to access funds from various donors with competing sets of interests (as in the case of Sri Lanka), elites can retain autonomy through partaking in 'donor shopping'. External influence is higher in cases, such as Somalia and Mozambique, where the level of dependence on external aid is much higher.

223. However, even in these cases aid flows are entering highly politicised and volatile environments, and significant tensions and trade-offs exist. Economic flows may serve to strengthen incentives for peace and elite coalitions, but this may come at the cost of facilitating elite capture, exacerbating vertical exclusion and failing to address underlying grievances that may pave the way for future conflict. Attempts to push for more concerted economic reforms – for example dismantling war economies, increasing levels of competitiveness in the economy, and improving macroeconomic stability – also risk creating an externally-led agenda for economic reform that is increasingly misaligned with the logic of how limited access orders operate. This creates a set of external economic pressures that may complicate and undermine the feasibility of domestic elite bargaining processes to stabilise armed conflict.

4.3.4 Legal measures/Transitional justice

224. Transitional justice refers to the ways that countries emerging from armed conflict and mass violence address large-scale or systematic human rights violations and/or war crimes. The core pillars of transitional justice are rights to truth, justice, reparation and guarantees of non-recurrence. The underlying logic of transitional justice is that a reckoning and/or some form of reconciliation with the past is needed to enable societies to deal with the legacy of past abuses and to prevent future conflict from breaking out. Transitional justice incorporates a broad spectrum of judicial and non-judicial measures. These range from 'softer' forms of restorative justice, including truth telling and collective reconciliation, to 'harder' forms of retributive justice, including criminal trials involving individual accountability.

225. Justice is 'transitional' because it is seen to be temporary and exceptional; the scale of abuses and the weakness of the post-war state mean that 'normal' justice cannot be administered. The international footprint is more visible at the 'retributive' end of the spectrum – as with ICC cases – and less visible at the 'restorative' end, with domestic hybrid mechanisms and

⁸⁸ Keen, D. (2005). "Liberalization and Conflict", *International Political Science Review* 26(1): 73-89.



‘traditional’ forms of justice and reconciliation being modified and adopted to suit the crimes committed. Nevertheless, international actors such as OHCHR, UNDP, the ICRC, and the International Center for Transitional Justice play an important behind-the-scenes role in influencing the specific mechanisms and timing of restorative justice initiatives, truth telling commissions, and reconciliation processes.

226. There is a general assumption that the prosecution of war crimes plays a broader conflict prevention role because it sends important signals to political elites elsewhere that they will be held to account for their actions in the event of grave human rights abuses. In practice, transitional justice involves complex trade-offs between internal political dynamics and external pressures, as well as the balancing of demands for accountability with the realities of political feasibility. Even if there is strong elite support and a societal demand for some form of justice, the risk remains that justice mechanisms will be unable to fundamentally overcome the existing governance and rule of law problems that contributed to the original causes of the conflict. The benefits of transitional justice mechanisms are often perceived as, at best, costly, unevenly distributed and falling short of public expectations for comprehensive justice and at worst, deeply divisive and destabilising, especially in cases where the pursuit of retributive mechanisms causes a rupture in the political settlement.
227. There is a vast transitional justice literature and the aim here is not to provide a systematic assessment of the impacts and efficacy of transitional justice programmes, not least because the body of evidence from the case studies is quite limited. Instead, drawing on examples from the cases, we focus on the interactions between these externally-promoted programmes and the dynamics of elite bargaining: to what extent were justice and accountability provisions incorporated into peace accords, and were these conditions implemented in practice? To what extent did transitional justice interventions affect the level of (mis)alignment between elite bargaining, political settlements and peace agreements? How did such programmes shape the dynamics and pathways of post-war transitions?
228. Going back to our analytical framework, notions of transparency and accountability – concepts that are central both to the transitional justice and ‘good governance’ agendas – work against the logic of limited access orders. Externally supported processes tend to assume an overnight shift from deal-based to rule-based mechanisms. Yet such interventions may diminish the room for manoeuvre, and take away the tools that political elites need to manage violence, build coalitions, distribute benefits, and so forth. This may provoke, as seen in several of the cases, a high degree of elite push back against transitional justice. Furthermore, as noted in relation to other policy instruments, when transitional justice mechanisms enter the political marketplace, they become yet another resource that is fought over and instrumentalised by domestic elites. Transitional justice mechanisms also interact with other types of interventions, forcing trade-offs, and as the cases show, transitional justice is frequently undercut by other priorities.

Experiences of Transitional justice across the cases

229. The historical case studies – Vietnam and Malaya – preceded the growth of the international ‘transitional justice regime’. In these cases there was no internationally mediated process, and the war crimes and human rights abuses – perpetrated by both domestic and international forces – largely went unpunished, though there was post-war retribution and ‘re-education’ by the victorious powers. In several of the more recent cases, where there has either been no formal peace agreement or where agreements have failed to put an end to large-scale violence (Afghanistan, Iraq, Somalia, Sri Lanka), there has been limited referral to, or concrete implementation of transitional justice mechanisms. In other cases, where there have been



peace agreements that marked a significant reduction of large-scale armed violence (Colombia, Guatemala, Tajikistan, Sierra Leone, Bosnia and Herzegovina, Nepal), transitional justice conditions were incorporated into almost all agreements, but the extent to which they were implemented has varied.

230. In Tajikistan, where there was a strong alignment between the underlying political settlement and the peace agreement – with formal power-sharing arrangements underpinned by informal rent-sharing agreements – there were few external pressures or domestic incentives to deal with past abuses. This was reflected in the language and architecture surrounding the peace process – with, for example, the creation of a Joint Commission for National Reconciliation. Essentially, there was no formal transitional justice process, with the principal wielders of violence retaining their coercive power and enjoying the distributional benefits of being part of the ruling coalition.
231. Similarly, In Afghanistan, the Mujahedeen factions aligned with the Northern Alliance – many of whom were suspected to be guilty of human rights abuses and war crimes - strongly resisted any incorporation of justice and accountability mechanisms being included in the wording of the Bonn Agreement: in 2010 a ‘National Stability and Reconciliation law’ came into effect, removing the possibility that those involved in armed conflict before 2001 could be prosecuted for any abuses committed. Therefore, in basic and fragile limited access orders, where there are strong continuities between wartime and peacetime, elite interests are likely to be oriented towards deferring justice, providing amnesties and maintaining weak rule of law. In these contexts, the price of securing military cooperation and political stability often comes at the cost of sacrificing justice claims.
232. A similar set of dynamics emerge from the Guatemala case, where the military had significant holding power and pushed back against demands for justice, particularly from the indigenous Mayan population. However, this case also shows how processes of transition are long and convoluted, and how, as political settlements shift, the policy space for transitional justice can grow over time.
233. The peace accord of 1996 explicitly used the language of transitional justice and set in motion a set of provisions and processes to facilitate truth telling, reconciliation, and accountability. For example, the 1999 Historical Clarification Commission (CEH) report focused on the historical and structural factors behind the conflict and found the state’s military operations against the Mayan communities constituted genocide, putting the estimated total deaths and disappearances at 250,000. At the same time, elite resistance meant that there was a constant deferral or evasion of ‘hard’ justice mechanisms. For example, victims’ groups demanded reparations, but it took almost ten years after the peace accords to start the National Reparations Program. Although strong evidence of abuses had been collected, particularly by civil society groups, only a handful of cases were prosecuted after years of efforts by victims. The fact that several cases had to be tried in the Inter-American Court of Human Rights served to highlight the negligence and corruption of the national justice system. Yet the fact that they were tried at all also signified that Guatemala’s political settlement had shifted.
234. Then, in 2006, the International Commission against Impunity in Guatemala (CICIG) was established to strengthen the state’s ability to tackle the powerful organised crime groups that had grown out of military intelligence structures set up during the war. CICIG was set up as a bespoke institution, jointly coordinated by the Public Prosecutor’s Office and the National Police, with the support of the UN. Its investigations have led to the successful prosecution of numerous high-level officials, including ex-president Alfonso Portillo, as well as bringing down



the government of President Otto Pérez Molina in 2015 and exposing a government-wide corruption ring in the *La Línea* case.

235. During this period, there was also the landmark trial of 86-year old former military dictator Jose Efraín Ríos Montt. This was the first time a former head of state had been meaningfully tried for genocide in national proceedings. In 2013, Montt was convicted of genocide and crimes against humanity. The gradual attempts to curb impunity through legal mechanisms in Guatemala reflects the complexity and drawn out nature of its post-war transition. Against a backdrop of elite holding power, and extremely high levels of embedded and permissive violence, there have been some successes, largely the result of shifts in the constellation of power within the ruling coalition and growing domestic and international pressure. The regional diffusion of experiences and tactics and the support of UN and the International Center for Transitional Justice have also been significant, with domestic elites and civil society groups learning from transitional justice processes in other Latin American countries.⁸⁹
236. In Nepal and Sri Lanka, though much earlier in their post-war transitions, the story is also one of justice delayed or deferred. In Nepal, the CPA laid out steps to establish the truth about the conflict, including a special commission to investigate the hundreds of enforced 'disappearances'. Transitional justice was seen as being a central component of the 'inclusion agenda' and there were strong demands for justice from the borderlands most directly affected by human rights abuses and disappearances during the war. However, the creation of the proposed Commission on Investigation on Enforced Disappeared Persons (CIEDP) stalled after parliament introduced a bill that would grant it the powers to provide amnesty to perpetrators.
237. CIEDP finally started a four-month complaint registration period in 2016. At the end of this period, it had registered around 3,000 complaints related to enforced disappearances. In the same year the Truth and Reconciliation Commission (TRC) started taking complaints in April 2016, and by July 21 2016 had received 53,000. These faltering steps in the direction of accountability can be understood as largely symbolic or theatrical – aimed at external audiences and domestic constituencies with limited power including civil society and Maoist supporters. Political elites from within the Maoists and Nepali Congress, the two sides with the most to lose from an accountability process, sought to constantly evade and defer transitional justice mechanisms. The issue of amnesty frequently came up in political negotiations and was used as a bargaining chip in inter-party deals in Nepal's volatile parliamentary politics. In fact their evasion became a point of convergence amongst the national political elite. Without strong international backing, and given that India was not prepared to invest political capital on the issue, transitional justice is likely to be delayed indefinitely.
238. In Sri Lanka, credible evidence was collected by the UN and others that war crimes had been perpetrated by the government and the LTTE during the final months of the war. However, the prevailing politics immediately after the conflict meant there was no appetite or backing to pursue this issue. The Rajapaksa regime and the military had widespread political support for having won the war, whilst the main proponents of transitional justice – local civil society, international actors and the Tamil diaspora – had limited voice or political traction. The government's strategy was to focus on reconciliation rather than accountability, by providing reconstruction to the north and east as a way of blunting the secessionist impulse and obviating the need for a substantive political settlement. It made limited moves in the direction of

⁸⁹ Sikkink, K. (2011). *The Justice Cascade: How Human Rights Prosecutions Are Changing World Politics*. New York: W.W. Norton.



accountability – such as the Lessons Learned and Reconciliation Commission – in part to show that ‘something was being done’. Yet such mechanisms had no traction and no real domestic champions given the prevailing exclusive political settlement. This appeared to change radically with the surprise election of a new coalition government which promised ‘good governance’, a political solution to the ‘ethnic problem’ and a commitment to some form of transitional justice.

239. Under President Sirisena, the government changed tack, making a public commitment at the UN Human Rights Council in 2015 to an expansive transitional justice process, which included truth telling, reparations, dealing with the disappeared and an accountability mechanism (domestic with some international involvement) to deal with war crimes and crimes against humanity. However, in spite of some progress, such as the establishment of an Office of Missing Persons, the initial optimism around the government’s agenda passed, as progress on transitional justice was slower than hoped for and became used by nationalists as an issue of bargaining within the coalition. A horizontally inclusive ruling coalition was constrained by the need to satisfy these elements of the coalition – making it harder to advance a relatively ‘progressive’ policy agenda on either constitutional reforms or transitional justice. The latter became increasingly instrumentalised as a vehicle for advancing interests that had very little to do with justice. For example, the Tamil diaspora saw it as a source of leverage to gain international support and exert pressure on the government to negotiate a new political settlement. For nationalists within the coalition, transitional justice became a signifier of neo-colonial interference and a useful discourse to mobilize supporters in the Sinhala heartland. International actors were cautious to push too hard because of fears it would bring about the downfall of the coalition government and open the door for the return of the Rajapakses. Hence, justice mechanisms became a useful tool to pursue other goals, and vested interests developed around keeping it in a state of constant deferral.⁹⁰

Conclusions

240. The dynamics of bargaining around transitional justice appears to be shaped by several factors including; the nature of the post-war political settlement - whether the ‘old guard’ was displaced, remains in power or retains significant influence; the level of inclusion and the basis of inclusion within the political settlement; the capacity and autonomy of post-war institutions; and the level of internationalisation and the degree of leverage of international actors. Where there is high internationalisation (and high influence) and the old guard has been displaced, one would expect strong pressures for, and receptiveness to harder forms of retributive justice. In contexts where the old guard remains powerful, and international actors have limited engagement or influence, there are likely to be strong incentives for amnesties or softer forms of restorative justice. This particularly applies where conflict termination has occurred as a result of a military victory rather than a negotiated settlement as in the case of Sri Lanka. In contexts where the old incumbents and new challengers share power in a relatively inclusive political settlement, with weak institutions and relatively limited international pressure – as in the case of Nepal – incentives may be oriented towards forestalling, or maintaining a form of perpetual ‘unsettlement’ rather than one of closure.
241. While these constellations of power at war’s end are crucial, they are not set in stone – shifts in political settlements open up new spaces and as the Guatemala case shows, processes of transition can take a long time: it was 17 years after the signing of the peace accords before Montt was convicted. Clearly, externally-led transitional justice (particularly ICC, and previously,

⁹⁰ Goodhand, J & O Walton (2017) ‘The tangled politics of post war justice in Sri Lanka’ *Current History* 116 (789) pp 130 – 135; ICG (2017) ‘Sri Lanka’s transition to nowhere’ Report No 286, International Crisis Group, Brussels.



UN *ad hoc* tribunals such as Sierra Leone, ICTY, Guatemala) are fundamentally political institutions, even though they are set up to be impartial and technical. Prosecutions become instrumentalised and become part of the elite bargaining process; either 'I'll let you into the country if you prosecute my rivals' or 'I'll help you prosecute someone else if you give me immunity'. In cases where transitional justice is written into peace agreements, this frequently creates pressures for further internationalisation, as domestic elites seek to water down these measures and domestic human rights defenders call for greater external pressure for enforcement.

242. Finally, although we have focused on the centrality of coercion and rent-sharing in the forging of elite bargains and underlying political settlements, the experiences of transitional justice show that ideas, beliefs and notions of legitimacy can play a significant role in building inclusion within, or conversely, unsettling ruling coalitions. Transitional justice provides a language and a narrative that can and has proven to be empowering, and a useful tool to build vertical inclusion – as was the case amongst the Mayan population in Guatemala. In Nepal, it played a similar role for a period of time after the CPA for the Maoists and their constituencies in Nepal. Alternatively, it may provide a useful foil for nationalist elites to mobilise against, as it becomes a symbol of international interference and neo-colonialism. A purely materialist reading of transitional justice misses how such projects enter the vernacular of local politics and can become theatrical props for local elites attempting to build legitimacy.

4.4 The pathways of external interventions

243. This section explores how interventions impact upon the dynamics of elite bargaining (outlined in Chapter 3) and lead to different pathways out of, or back into, large-scale armed violence. This is shaped by two important factors: (1) the degree of rupture in pre-war/wartime structures that underpins war to peace transitions; and (2) how interventions impact upon power relations and political contestation between competing elites and how their actions shape the relationship between political settlements, elite bargaining and peace agreements during such transitions.
244. Post-war pathways are shaped by the degree to which the post-war transition embodies a radical rupture from pre-war and wartime structures. In some cases, processes of elite bargaining during war to peace transitions may mark little more than the formalisation of existing power structures. In Tajikistan and Bosnia, for example, the post-war transition entrenched the rent-sharing arrangements that had emerged during the war and formalised the de facto balance of wartime coercive power. In such cases the distribution of power is much clearer; who controls the means of violence, the nature of rent-sharing arrangements, and who has the potential to disrupt if excluded are better understood. This creates greater scope for stability but also makes forms of elite capture more common, limiting the room for negotiation and reducing the scope for the inclusion of marginalised groups.
245. In contrast, some transitions are underpinned by a more dramatic shift in underlying configurations of power. International actors have in some cases created these ruptures, for example through concerted military action (Iraq, Afghanistan), or through engaging in risky mediation (Sri Lanka), or have looked to capitalise on sudden ruptures (post-Tsunami engagement in Aceh, Indonesia). In these cases, the post-war moment embodies a much more volatile situation in which pre-war or wartime power structures have fractured and domestic elites and external actors have more agency to fashion and contest institutions (both formal and informal). At such points the potential to influence elite bargaining processes may be much higher, but inevitably brings both opportunities and risks for external actors. Although there



may be greater scope for the existing 'rules of the game' to be negotiated, in such contexts the very real danger exists that the ongoing contestation over the post-war order may spill over into renewed violence, especially where interventions push too hard against the interests of elites who continue to wield significant holding power.

246. The second key dynamic that shapes post-war pathways relates to how external interventions impact upon the dynamics of elite bargaining during post-war transitions and how the actions of external actors shape the relationship between political settlements, elite bargaining and peace agreements. Interveners have often sought to shift elites' incentive structures by encouraging or pressurising them to look beyond transactional frameworks with the aim of providing the foundations for more developmental post-war outcomes. Again though, such actions also entail very significant risks. Efforts by external actors to push for transformational change are more likely to create a greater degree of misalignment between the formal peace and the underlying political settlement. This can create contexts where efforts at transformational change are perpetually dependent upon external resources, precluding the emergence of sustainable domestic bargains, or they may heighten the risk of instability and a return to large-scale violent conflict.

247. The cases indicate that a transformative shift towards a more developmental peace requires pushing negotiations to the limits of misalignment in the sense that the peace accord opens up but does fragment the underlying political settlement; yet they also show that such misalignment is the major factor that destabilises elite bargaining processes and can lead to a strong elite push back and/or renewed outbreaks of armed violence. On the other hand, prioritising stabilisation over transformational change means bringing the peace process into closer alignment with the underlying political settlement, although at the likely cost of elite capture.

Post-war pathways

248. Exploring these dynamics provides a way of assessing how interventions impact upon elite bargains in shaping different post-war pathways. Across the cases, we see three broad post-war pathways, presented below. It is important to emphasise that this typology is an ideal-type model aimed at exploring how the dynamics explained above shape the impact that external interventions can have. They are not intended to suggest smooth, linear or inevitable pathways. Indeed, post-war transitions are continually in flux; elites continue to seek to re-work bargains and further moments of rupture can occur that lead to sudden shifts in power relations and change the trajectory of how external interventions shape transitions. Alongside these caveats, however, the three pathways presented below do offer useful insights that help to account for the wide variation in the impacts external interventions have had.

Pathway 1: Destabilising

Outcomes: fragmented political settlement; conditions for a return to violence

Examples: Sri Lanka 2002-06, South Sudan 2011, Iraq, Libya, Afghanistan, Vietnam

249. Across the cases there are many conflicts which are highly internationalised and where external actors wielded extensive influence – often bringing about significant moments of rupture – but where this influence has had a deleterious impact by inadvertently undermining or purposely fragmenting the underlying political settlement. This fragmentation increased the potential for renewed violence, which has occurred in many cases, notably Libya, Iraq, Afghanistan and Vietnam. In other cases, this fragmentation resulted in the emergence of a new equilibrium between elites, such as in Sri Lanka between 2002 and 2006, albeit one that is highly fragile.



250. Commonly, this phenomenon has occurred in contexts where external actors have used their leverage to pursue their own agendas, bringing a further set of interests to bear on fragile political settlements. This has increased the challenges facing bargaining processes and has often exacerbated the misalignment between formal peace processes and the underlying configuration of power. For example, demanding that certain groups are excluded (e.g. the Taliban in Afghanistan, al-Shabaab in Somalia) and attempting to shut down certain rent-sharing arrangements (e.g. counter-narcotics strategies in Afghanistan) have proved deeply destabilising in certain cases. Furthermore, efforts to promote radical social and economic reforms in very short periods of time have often worked against the logic of limited access orders upon which stability in fragile political settlements was previously founded. For example, in some cases efforts to promote democratisation, reduce corruption, strengthen judicial autonomy and dismantle war economies have been central to attempts by interveners to fashion new post-war orders. However, these interventions have contradicted the logic that underpins processes of elite bargaining in fragile states, which is about providing elites with more stable and predictable power and giving preferential access to valued resources (such as control over parts of the economy or providing political positions). In some cases, heavy external pressure and/or military presence may create a façade of stability in the short term, although any attempt by external actors to scale back their presence is likely to lead to renewed instability as elites seek to renegotiate their position within this changing context.

Pathway 2: Consolidating

Outcomes: Stability, elite capture

Examples: Tajikistan, Mozambique, Guatemala

251. There are numerous cases where external actors have a fair degree of leverage and influence in contexts where elite power structures are relatively entrenched and the post-war transition has largely embodied a continuation of pre-war/wartime structures rather than a significant rupture. Interveners play a role in influencing the peace process, and levels of large-scale armed violence decline. However, bargaining processes result in elite capture of the benefits of the peace, often reflected in high levels of vertical inclusion and growing levels of horizontal inclusion, and the continuation of forms of embedded and permissive violence.

252. As emphasised in Chapter 3, although forms of elite capture share similarities in the sense that elites capture the *processes* of political authority and distribution of resources, the *outcomes* of these processes can vary significantly between forms of highly exclusionary elite capture to forms of elite capture that deliver more broad-based distribution.

253. The cases demonstrate that there is a broad spectrum of outcomes within this overarching pathway of 'consolidating' political settlements. This suggests that there may be greater scope for international actors to play a role in limiting the scope for highly exclusionary forms of elite capture and pushing for more distributional outcomes. In Tajikistan, a less authoritarian outcome might have been possible if external backers had more interest in, devoted more resources to, and placed more pressure on the Government of Tajikistan to effectively implement power-sharing and a competitive political system after the signing of the peace agreement. States hosting major financial services industries, particularly the UK and US, might have reduced the emergence of an increasingly exclusionary political system by enforcing anti-money laundering laws more strictly, thus constraining the government's ability to further consolidate power and exclude rivals via corruption and its connections to organised crime. Such examples warn of the costs of non-intervention and emphasise that while the acceptance of forms of elite capture may be a necessary trade-off for the emergence of more stable political settlements, there may still be substantial scope to leverage more distributional outcomes and to limit the worst excesses of exclusionary elite capture.



Pathway 3: Transforming

Outcomes: Moves towards more developmental peace

Examples: Nepal post-2006; Northern Ireland, Aceh, Malaysia

254. In a small number of cases external interventions have been able to support the foundations for a more transformational shift of the political settlement towards a more developmental post-war peace without destabilising post-war transitions. In these cases, war-to-peace transitions have embodied a significant moment of rupture in which pre-war or wartime structures of power have been weakened (such as the monarchy in Nepal) or are increasingly challenged by emerging elites (such as the urban middle class challenging the political power of the traditional landowning elite in Colombia). These changes have created emerging political space to contest previously exclusionary political and economic power structures.
255. International actors have been able to support inclusive agendas (such as in Nepal) or transformational leadership (such as Santos in Colombia). As the case of Aceh shows, the scope for interveners to play a supportive role is heightened when conflicts over indivisible issues – in this case the demand for secession – gradually shift to focus on issues such as greater political rights and resource sharing that are divisible (see section 3.2.3). These factors contribute to the emergence of a more inclusive political settlement, which is reflected in changes in state policies and service delivery to previously excluded groups. This may be especially the case in contexts where elites are striving to (re)assert their legitimacy in a rapidly changing environment. This creates opportunities for interveners to strengthen formal institutions and make them more inclusive. There is greater scope for the ‘capture of elites’, in the sense that elites become enmeshed in rule-based, rather than deal-based mechanisms. This binds their power, resources and legitimacy to the delivery of services and the creation and preservation of a social contract. Interventions to support transformational shifts towards more developmental political settlements are therefore less about individual policy instruments. Instead success is more likely to be achieved through particular policy combinations that gradually build momentum towards more developmental post-war outcomes, without pushing too hard against the existing political settlement and the kinds of deal-based mechanisms upon which elite bargains are founded.



Chapter 5: Conclusions

256. This synthesis paper has sought to answer the following overarching research questions: (1) How the dynamics of elite bargaining contribute to processes of conflict (de)escalation; (2) what determines whether elite bargaining processes have contributed to sustained processes of peacebuilding, or conversely a return to large-scale violent conflict; (3) how external interventions interacted with these processes and helped shape different pathways out of (or a return to) armed violence. The key findings and their implications for policy makers are presented below:

5.1 Findings I: How the dynamics of elite bargaining shape post-war transitions

The (mis)alignment between elite bargains, peace processes and political settlements is a major determinant of variations in post-war transitions

257. This study has focused on how the (mis)alignment between elite bargains, formal peace negotiations and the underlying configuration of power – or political settlements – shape transitions from war to peace. Violent conflict will only stabilise when the distribution of political and economic benefits is consistent with the underlying configuration of power in society. In contexts where the formal peace process does not reflect/address the underlying distribution of power then the potential for negotiations to stabilise violent conflict and sustain peace is limited. The exclusion of certain unpalatable but powerful elites can make political settlements volatile. In such contexts, formal state institutions are likely to be highly unstable and the risk of violence is high.

Ending war is not the same as ending violence

258. A stable political settlement may still expose populations to significant levels of violence. Elite bargains may stabilise forms of **'competitive violence'** deployed by warring elites to contest or defend the distribution of power. However, forms of **embedded violence** that are intrinsic to the workings of the political settlement may continue or increase, as may forms of **permissive violence**, including gender-based and criminal violence. Order may be as much about 'disguising' violence and reconfiguring who has the 'right' to enact violence, upon whom, for what reasons, and with what level of impunity. Violence may thus remain embedded in elite bargains and processes of stabilisation.

259. The assumption that violence embodies the breakdown of order can lead to the belief that any type of intervention will be beneficial, as the priority becomes stopping the violence. However, there is no simple correlation between levels of violence and the breakdown of political orders and there is a need for careful pre-intervention analysis focusing on how external interventions impact upon the political structures and power relations that surround violence.

Processes of elite bargaining have different trajectories

260. The cases show there is unlikely to be a linear progression in which elite bargains lead to a formal peace process culminating in a progressive political settlement. The cases show that dynamics of elite bargaining are highly specific to individual contexts, however three broad pathways can be identified: **(1) return to violence, (2) elite capture and (3) developmental peace.**



261. Where elite bargaining does secure a reduction in large-scale armed violence, the most common outcome tends to be forms of 'elite capture'. This should not be viewed as an unfortunate outcome of flawed negotiations but is often the very reason why efforts to stabilise violent conflict became feasible in the first place, i.e., elites' realisation that they stand to benefit from peace may be what shifts a war cycle into a peace cycle. The prevalence of forms of elite capture also offers insights into why certain warring parties may be unwilling to support negotiations even when in a comparatively weak position. Such motivations need to be understood rather than simply branded as spoiling tactics amidst external pressure to secure a peace deal.
262. None of the cases offer a clear example of immediate post-conflict transitions to a developmental peace, warning against unrealistic expectations of transformational change to occur within a short timeframe. What the cases do show is that the stronger the continuities between wartime and post-war power structures, the greater the likelihood there is of elite capture. Where the post-war transition embodies a more radical moment of rupture in which there is a significant departure from pre-war and wartime structures, the scope for a more progressive peace is greater. However, such transformational changes also run far greater risk of misalignment between the formal peace and the underlying political settlement, heightening the risk of instability and a return to large-scale violent conflict.
263. A key factor in shaping whether there is a return to violence is the ability of elites to reframe **indivisible** conflicts – where satisfying the interests of one side is not possible without directly excluding the interests of opposing groups (e.g. demands for secession) – as **divisible** conflicts, in which there is scope for negotiation and compromise (e.g. through state reform and changes to resource allocations). The risk that this may lead to a steady state of political 'unsettlement', in which the core conflict issues are avoided or deferred, does not foreclose the possible emergence of a more inclusive political settlement. A situation of elite capture may evolve over time into one of 'captured elites' as elite preferences are oriented more towards the long term and elite bargaining is increasingly shaped and moderated by functioning institutions.

5.2 Findings II: The linkages between external interventions, elite bargaining and pathways out of conflict

Reverse engineering institutions can have destabilising effects

264. External interveners have tended to focus efforts on strengthening formal institutions – constitutional reform, strengthening the rule of law, democracy – in the hope that these will provide a mechanism to 'tame' political behaviour and to manage violent conflict. However, in many contexts formal institutions are not the key political arena in which power is contested and violence is managed. Furthermore, such efforts work against the logic of the political system and are likely to be destabilising.

Military responses can crowd out other forms of interventions and leave baleful legacies

265. External military interventions are highly disruptive and commonly generate unintended deleterious consequences. They typically crowd out other diplomatic and political interventions, undermine local capacities to address violent conflict, and foster dependent relationships between domestic and external actors that weaken domestic bargaining processes. Furthermore, eventual withdrawal of military forces can be highly destabilising and set off further rounds of violent contestation. External actors should pay greater heed to these baleful legacies and overcome the temptation of deploying violence as a 'first resort', especially in the absence of a clear political strategy to address the volatility of underlying political settlements.



The endless peacekeeping trap

266. Where armed conflict has no end in sight, efforts to re-work political settlements may only be sustainable with an open-ended commitment to external backing – what has been called ‘endless peacekeeping’.⁹¹ In such cases, elite bargains may be extremely fragile and dependent upon huge amounts of aid (which prop up the rents and patronage networks that hold the elite bargain together), and/or external peacekeeping forces. External interveners can become ‘entrapped’: pulling out risks reigniting instability, but preserving the current status quo perpetuates elite capture and high levels of political exclusion.

Diplomatic intervention is not costless

267. Diplomatic interventions may be less disruptive than military interventions but they can still do appreciable damage by distorting power relations between competing elites in ways that can rupture political settlements and increase the incentives of one side to return to war. For example, elites may take substantial risks committing to peace negotiations and where these fail, hard-line stances within organisations may gain greater legitimacy and more moderate voices may become sidelined. Failed peace processes change the trajectory of conflict and add new layers of complexity, and a flawed peace process may cause more damage than the absence of one.

All good things do not come together: Acknowledging difficult trade-offs

268. Interventions in fragile and conflict-affected states are often underpinned by the assumption that ‘stabilisation’ and ‘good governance’ policies are mutually reinforcing and can work in tandem to enable countries to escape the ‘conflict trap’. The cases, however, reveal significant tensions and trade-offs.

Stabilising large-scale armed conflict may entail bargains that come at the cost of more developmental post-conflict transitions

269. The political concessions and rent-sharing arrangements that may be necessary to co-opt competing elites into a stable coalition can entrench inequality and exclusion. Tensions exist between the need to ensure the interests of powerful elites are incorporated into efforts to stabilise violent conflict – i.e., that bargains are not misaligned with the underlying distribution of power – and the risk that such compromises make it more difficult to address structural dynamics, which can sow the seeds for future conflicts.

Working with the grain of politics often conflicts with a ‘good governance agenda’

270. Efforts to promote democratisation, reduce corruption, strengthen judicial autonomy and dismantle war economies may be viewed by external actors as essential policies for promoting inclusive development and alleviating poverty. However, they often contradict the logic that underpins processes of elite bargaining in fragile states, which is about providing elites with more stable and predictable power and giving preferential access to valued resources (such as control over parts of the economy or providing political positions).

271. Stabilising violent conflict does not necessarily offer opportunities to promote inclusive economic growth

⁹¹ De Waal, A. (2009). “Mission without end? Peacekeeping in the African political marketplace”, *International Affairs* 85(1): 99–113.



272. Stabilising violent conflict is typically viewed as an important first step towards improving levels of economic development. However, in fragile states economic policy is inevitably highly 'political' and maximising economic efficiency is unlikely to be a priority. Elites use their control over the economy to create 'rents' by manipulating access to certain economic opportunities (such as control over natural resources, import licenses, state procurement contracts). Elites with the ability to challenge state authority (often through violence) are allocated rents in an attempt to gain their loyalty and encourage them to co-operate with the state and with each other rather than to fight. Managing violence may thus be founded upon establishing highly inefficient economic structures. Efforts to dismantle such structures risk destabilising the foundations of elite coalitions.

5.3 Implications for analysis

Building evidence and research-policy synergies

273. Interventions have tended to be driven less by evidence, than a combination of ideology, institutional interests and external pressures. Although there has been a growing interest in political economy approaches, external actors still find it difficult to absorb and act upon the implications of such an approach – in part due to internal constraints including disbursement pressures, a dearth of regional or country-based expertise, the speed of policy making cycles and so forth. However, these limitations are also because of deficiencies and gaps in research and evidence, which impede the development of more contextually attuned approaches. These include problems of access and security, the relative invisibility of elite bargaining processes especially below the national level, the lack of reliable longitudinal data that captures complex chains of bargaining over time and the lack of comparative work on political settlements that allows generalisations that can be incorporated into policy.

274. Investing in research that addresses these gaps is one thing, but the problem is also one of 'translation' and researchers not being sufficiently attuned to the decision making processes and pressures faced by policy makers. There is scope to think more creatively about how to strengthen capacities to conduct longitudinal research in areas of protracted conflict and secondly how to strengthen policy-researcher linkages to overcome the problem of 'translation'. Otherwise there is a danger that a more sophisticated political economy approach simply places unrealistic expectations on policy makers in terms of their time and analytical capacities.

Turning the mirror inwards

275. Interventions aimed at stabilising violent conflict are often framed as external solutions to internal problems. Interveners typically perceive themselves as external to the conflicts they are engaged with, in a way that prevents them from assessing their own position within, and influence on, political settlements and bargaining processes. A political economy analysis forces international actors to confront their own influence. Flowing out of this is the need for an explicit focus on the institutional interests, conflicts, and trade-offs that exist within and between external actors as they pursue multiple objectives when engaging in conflict. Commonly, what worked – and what hasn't worked – regarding efforts to stabilise violent conflict has been shaped by the conflicts and bargains made between and within intervening powers, how domestic political considerations shape (in)action, and the influence that hubris, emotions, rivalries, and loyalties within these organisations has had on shaping interventions.

Moving beyond national frameworks

276. Political and military networks, economic resources, ideas and ideology all span international borders and pathways out of conflict, and political settlements in one country are commonly interconnected with those of neighbouring and intervening powers. Borderlands are central to



elite bargaining and brokers who mediate between centre and periphery are often central to the making and unmaking of political settlements. For example, growing inclusion at the national level may occur alongside – and sometimes be causally related to – increased exclusion and conflict at subnational/transnational levels. These dynamics are frequently invisible to policy makers who are constrained by state-centric thinking and policy frameworks. The focus on elite bargaining requires policymakers to develop a frame of reference that goes beyond the borders of the nation state and is more attuned to the specific dynamics of borderland regions.

5.4 Implications for policy and practice

Precautionary principles and restraint

277. The invocation that interventions should ‘do no harm’ is unrealistic; they inevitably create winners and losers. The challenge is therefore one of developing an approach that is more attuned to risks: What are the risks? What is their magnitude? Who bears them and at what cost? Precautionary principles that address these challenges are necessary so as to restrain the impulse to automatically ‘do something’, but also to provide clear guidelines for action. These guidelines should be less about how to micro-manage or engineer bargains, than about how to shape the risk environment in order to nudge elite bargaining processes in a more developmental direction.

Assessing the costs of non-intervention

278. Whilst numerous examples of deleterious external interventions have been identified, it is also important to note that the costs of *not* intervening to address escalating conflict and growing humanitarian crises may be very grave – both in the immediate term in relation to loss of life and suffering and in the long term as a result of new sets of grievances and new conflict dynamics. There is a danger that ‘working with the grain’ encourages a conservative or realist approach, which involves either letting domestic dynamics play themselves out, or supporting powerful incumbents who can impose a settlement.

279. Greater emphasis must therefore be placed on the tensions and trade-offs between the scope that interveners have to reduce violent conflict versus the damage they may cause by blocking or distorting domestic bargaining processes and further destabilising volatile power dynamics. There is a need to widen understandings of the influence that external actors have on conflict-affected countries beyond the parameters that usually frame conflict analysis. None of the cases provide an example of ‘non-intervention’ given the reality that all countries – even those where interventions explicitly aimed at tackling violent conflict have been limited – have been shaped by their external environment, and a mix of international policies related to trade, development, migration and so forth. This emphasises the need for greater engagement in how such policies impact upon conflict dynamics and how they work in tandem with – or at cross-purposes to – interventions directly aimed at reducing violent conflict.

Working towards doorstep conditions for a developmental peace

280. The cases make clear that there are no ‘quick-fixes’ or ‘templates’ for successful stabilisation interventions that can be applied off the shelf. Where external actors helped stabilise conflict it was rarely due, either to a single intervention, or to a panoply of measures linked to ‘wide spectrum’ peacebuilding. Efforts to push for rapid change within short timeframes have often proved destabilising by creating sudden shocks that destabilise fragile political settlements, rather than deliver their intended aims. Instead, success was the result of specific policy combinations that created (particularly during moments of change) an enabling environment for political bargaining and negotiations and were calibrated to the dynamics of elite bargaining in particular contexts, over time.



281. Shifts towards a more stable progressive peace in the initial post-conflict period may thus be less about initiating large-scale transformational outcomes – due to the risks this entails of creating a destabilising disjuncture between the formal peace and the underlying political settlement. Rather they may be grounded more in instigating a series of evolving mini-bargains or temporary ‘fixes’ that begin to shift the parameters of negotiations and work towards establishing the ‘doorstep conditions’ that may make more equitable and inclusive development possible. These doorstep conditions may revolve around extending the issues up for negotiation, the scope for what can be demanded, and expanding the circle of interests taken into consideration, while at the same time ensuring that the failure of negotiations does not entail the risk of renewed violence. These conditions can also be instrumental in enabling a shift from ‘elite capture’ of the benefits of peace, to the ‘capture of elites’. Elites become required to act increasingly within structures where power and legitimacy becomes founded upon delivering growth, services and representation, and opportunities to pursue their own exclusive interests are constrained. The key challenge for diplomatic and political interventions is to find ways that create space for meaningful political dialogue and can support momentum for more developmental post-war outcomes without pushing too hard against the existing political settlement and against the kinds of deal-based mechanisms upon which elite bargains are founded.



Annex 1: List of case studies and authors

Case study

Afghanistan (The 'Sangin Accord')
Bosnia and Herzegovina
Colombia
Democratic Republic of Congo (M23)
Ethiopia-Eritrea
Guatemala
Indonesia (Aceh)
Iraq's Sunni Insurgency (2003-2013)
Malaya
Mali
Mozambique
Nepal
Northern Ireland
Philippines
Sierra Leone
Somalia
South Sudan
Sri Lanka
Tajikistan
Vietnam

Author(s)

Phil Weatherill & John McCarthy
David Harland
Roddy Brett
Ben Shepherd
Richard Reid
Sebastian Elgueta
Edward Aspinall
Greg Shapland
David H. Ucko
Yvan Guichaoua & Nicolas Desgrais
Alex Vines
Author name withheld
Roger Mac Ginty
Armi Beatriz E. Bayot
Kieran Mitton
Ken Menkhaus
Naomi Pendle
Bart Klem
John Heathershaw & Parviz Mullojonov
Jeffrey H. Michaels